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Province of British Columbia

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To the Honourable David C. Lam
Lieutenant-Governor of the Province of British Columbia

MAY IT PLEASE YOUR HONOUR:

I have the honour to transmit herewith the Annual Report of the Ministry of Municipal Affairs for the fiscal year ended March 31, 1988.

Graham P. Bruce
Minister of Municipal Affairs, Recreation and Culture

To the Honourable Graham P. Bruce
Minister of Municipal Affairs, Recreation and Culture

Sir:

I have the honour to submit the Annual Report of the Ministry of Municipal Affairs for the fiscal year ended March 31, 1988.

Ken MacLeod
Deputy Minister of Municipal Affairs, Recreation and Culture

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Ministry Overview

Message from the Deputy Minister

Corporate planning became a critical function within the ministry during the fiscal year as a result of the significant expansion of the ministry's role in 1986 and the government's new emphasis on strategic planning. Integration of the new programs into the financial and administrative structure of the ministry continued. At the same time, work began on preparing a strategic planning process for the ministry and was still in progress at year's end.

The impact of the expansion on the ministry's operations and administration budget was substantial. In 1987-88, the ministry's voted expenditure was $416.25 million.

Consultation

Consultation was a keynote in much of the ministry's work during this reporting year. As a result of the ministry's commitment to consultative policy development, regional district officials were involved in the first complete examination of Part 24 of the *Municipal Act* since 1965, reviewing the existing regional district legislation and preparing legislative proposals. "Proposed Regional District Legislation: A Discussion Paper" containing a complete draft of the proposed legislation was released at the UBCM convention and 'Regional District Forum 88' was subsequently organized to obtain the views of representatives from almost all regional districts.

Ministry staff played a key supporting role throughout the year on the Provincial-Municipal Committee on Decentralization. Again, consultation was a central theme; progress reports were prepared on the issues and briefings were held with several ministries affected by the decentralization process.

Other examples of the commitment to consultation abound. The Municipal Administrative Services Branch expanded its participation at meetings of the various chapters of the Municipal Officers' Association. Financial Services staff visited 84 municipalities, regional districts and improvement districts to provide advice and obtain firsthand knowledge of local communities.

Planning

The ministry continued to encourage local governments to examine the fiscal implications of planning, land-use and servicing decisions under its Comprehensive Development Planning Program. Ministry planners participated in 12 local government projects, assisting local steering committees to develop appropriate terms of reference, hire consultants and supervise projects.

Ministry planners held planning update meetings on a regular basis with local government staff and interested elected officials of each local government.

This ministry, together with the ministries of Health and Environment, participated in an inter-ministry report on rural sewage disposal problems. It identified a cost of $47,000,000 to retrofit sewers in problem rural subdivisions and recommended changes to provincial subdivision regulations to avoid these problems in future. In a broad overview of sewer and water problems, a task force documented a need for expenditures of $226,000,000 to upgrade water and sewage treatment and to start tackling problems of aging infrastructure. The ministry developed a survey questionnaire to help evaluate rural water and sewer problems and assist in setting priorities.

A comprehensive five-year plan was prepared for the University Endowment Lands which details the requirements for repair and upgrading of utilities and streets and a five-year capital maintenance budget to carry out the work.

Legislative Support

The ministry provided continuing support and direction to local governments regarding implementation of Bill 62, the *Municipal Amendment Act 1985*. This legislation made major changes to local government planning and development control. In May 1987, Bill 30, the *Municipal Amendment Act 1987* was enacted to further facilitate development by clarifying Bill 62 language, speeding up the approvals process and correcting technical errors and omissions.

The Administrative Services Branch also continued its involvement in assisting local government on decentralization issues. In particular, the need for many statutory approvals currently required under the legislation was reviewed.

The Select Standing Committee of the Legislature on Economic Development, Transportation and Municipal Affairs conducted a review of the *Islands Trust Act*. It received hundreds of submissions, both written and at public meetings, and submitted its report to the Legislature in December 1987. The report recommended that the Trust area be reorganized under the *Islands Trust Act* on a regional district format while maintaining its present mandate and that a Trust area Regional Community Plan be created. At the close of the 1987-1988 fiscal year, the Minister was still considering the committee's recommendations.

The Building Standards Branch completed revising the provincial building code using an open code-change process. This open process is a first in Canada.

Research

The ministry contributed to many research projects including a study of resort communities in the province from a fiscal and developmental perspective, an examination of provincial objectives in establishing boundaries for local government jurisdictions and a study of seniors in small-town British Columbia, undertaken in conjunction with the Centre for Human Settlements at the University of British Columbia.

In an effort to develop information bases for the research activities, the ministry's Policy and Research Branch published *A Catalogue of Local Government Computers and Applications in British Columbia*, sponsored development of a bibliography of local government in British Columbia and initiated development of a comprehensive index of local government legislation.

Safety

In 1987, British Columbia recorded 43 fire-related deaths, the lowest annual total in 34 years. Better fire-fighter training, more efficient fire code enforcement, installation of smoke alarms and public education programs were all factors.

The evolutionary nature of technology results in the ministry's Safety Engineering Services and associated branches constantly revising, developing, implementing and maintaining regulations that ensure a safe working and living environment.

For example, during this fiscal year, the Boiler and Pressure Vessel Safety Branch established quality standards criteria and regulation procedures for compressed natural gas containers in automotive applications; the Electrical Safety Branch completed new electrical work regulations to enhance safety in the electrical contracting industry; the Gas Safety Branch reached a consensus with local authorities, the B.C. Fire Chiefs Association and propane companies on the siting of propane refuelling facilities; and, the Elevating Devices Safety Branch conducted a detailed audit of the amusement ride industry which resulted in a complete inspection program in 1987.

Public awareness of safety issues is a matter of great concern. The Electrical Safety

Branch introduced an electrical safety awareness program for Grades 4-6 province-wide, with classroom presentations by inspectors and take-home activities for the children.

The safety branches have been introducing the user-pay principle over a number of years by gradually increasing recovery of service costs through fees. The goal of breaking even by the 1990-91 fiscal year appears to be on-schedule as of the end of the reporting year.

Ken MacLeod
Deputy Minister,
Ministry of Municipal Affairs, Recreation and Culture

Acts Administered By Municipal Affairs

The ministry exercises constitutional powers regarding local government assigned to the province under the *Constitution Act* (Canada). Local governments in Canada exist only to the extent that provincial governments see fit to create them. In British Columbia, this is reflected in the fact that municipalities, regional districts and improvement districts are corporate bodies, upon which the provincial legislature has conferred certain rights and liabilities. These are set out primarily in the *Municipal Act*. This large and comprehensive statute establishes the legal, political and economic framework within which local governments operate. The ministry is also responsible for safety services and, as a result, regulates and legislates safety standards across the province. Acts pertaining to transit services also fall under the ministry's responsibility.

Municipal Legislation

The *Ministry of Municipal Affairs Act* provides for the organization and purpose of the ministry.

The *Municipal Act* establishes the legal, political and economic framework within which local governments operate. The *Municipal Act* determines specific requirements for the incorporation and structure of municipalities, regional districts and improvement districts. It establishes rules for governing local elections and determines the basic powers and duties of municipalities for provision of services and the regulation of persons and property. Finally, it determines the powers and requirements for the management of public funds, powers regarding taxation and the rights and duties retained by the province for the supervision of local government conduct and performance.

The *Revenue Sharing Act* establishes the revenue sharing fund and provides for the sharing of provincial revenues with municipalities and regional districts.

The *Home Owner Grant Act* provides for a provincial tax credit to reduce the property taxes payable by qualifying home owners.

The *Municipal Finance Authority Act* establishes the Municipal Finance Authority and empowers it to issue securities to finance all long-term capital requirements of regional districts and municipalities.

Specific Area Legislation

The ministry is responsible for the following acts which relate to specific areas:

- *Capital Commission Act*
- *Cultus Lake Park Act*
- *Islands Trust Act*
- *Municipalities Enabling and Validating Act*
- *New Westminster Redevelopment Act*
- *Resort Municipality of Whistler Act*
- *University Endowment Lands Act*
- *Vancouver Charter* (not a public act)

Safety Legislation

The ministry is responsible for the following safety acts which give the ministry the power to set standards, regulate construction and installation and provide inspection and certification services:

- *Building Safety Standards Act* (Sections 1 and 2 only proclaimed)
- *Electrical Safety Act*

- *Elevating Devices Safety Act*
- *Fire Services Act*
- *Fireworks Act*
- *Gas Safety Act*
- *Power Engineers and Boiler and Pressure Vessel Safety Act*

Transit Legislation

The ministry is responsible for the following transit acts which authorize the existence and operations of transit services throughout the province:

- *British Columbia Transit Act*
- *Metro Transit Operating Company Act*
- *Provincial Rapid Transit Subsidy Act*
- *Provincial Transit Fund Act*
- *Transit Services Act*

Other Legislation

The ministry is responsible for the following miscellaneous acts:

- *Dyking Authority Act* (not proclaimed)
- *Local Services Act*
- *Mobile Home Tax Act*
- *Municipal Aid Act*
- *Municipal Expenditure Restraint Act*
- *Municipal Improvements Assistance Enabling Act*
- *Municipalities Assistance Act*
- *Provincial-Municipal Partnership Act*

Ministry Profile

The Annual Report

The annual report is a very important document which is used by a number of publics including the Legislature, various levels of government and citizens of the province. It therefore must contain information about the ministry's purpose, the ministry's activities and whether resources entrusted to the administration were well managed. The annual report, along with Public Accounts, describe the performance of the ministry only. The documents are not designed to describe the performance of local governments; this is provided in Municipal Statistics, a document which is produced annually by the ministry. Readers will only get a full understanding of the ministry and its clients by referring to all three documents.

Ministry Mandate

The Ministry of Municipal Affairs is an organization with a dual purpose, one purpose focusing on local government, the other focusing on safety standards in the built environment. Broadly defined, these purposes are united in a common concern with community and urban development.

To elaborate, one major purpose of the ministry is to sustain a comprehensive system of local government in British Columbia. The objective is to maximize social benefits and minimize public expenditures through guidance of a local government system characterized by:

- clearly defined local responsibilities;
- adequate resources to carry out these responsibilities;
- effective management; and,
- accessible, responsive political representation.

The ministry maintains the day-to-day functioning of the system— through advisory, supervisory and other programs—and ensures that the structure and resources of the system are commensurate with its needs. Its philosophy is a fundamental belief in the inherent value of local government.

The other major purpose of the ministry is to sustain a comprehensive system to develop and enforce structural, plumbing, fire, electrical, gas, elevating devices, boiler and pressure vessel and amusement ride safety standards. This encourages the preservation of health and safety standards through sound construction, installation and maintenance practices. The ministry objective is to maintain and monitor the related standards and codes, ensuring they are cost-effective and adaptable to the evolving safety, social and economic needs of the general public.

Ministry Organization

The Ministry of Municipal Affairs is organized into a number of divisions and branches that provide programs and services in three functional areas:

- ☐ Safety Standards and Revitalization Services
- ☐ Local Government Services
- ☐ Administration and Support Services

The *Safety Standards and Revitalization Services* of the ministry are composed of two streams: standards and programs. They are primarily concerned with the built environment and the two streams reflect these aims. *Local Government Services* are concerned with the affairs of all local governments in British Columbia and are aimed at ensuring viable local self-government. *Administration and Support Services* are primarily con-

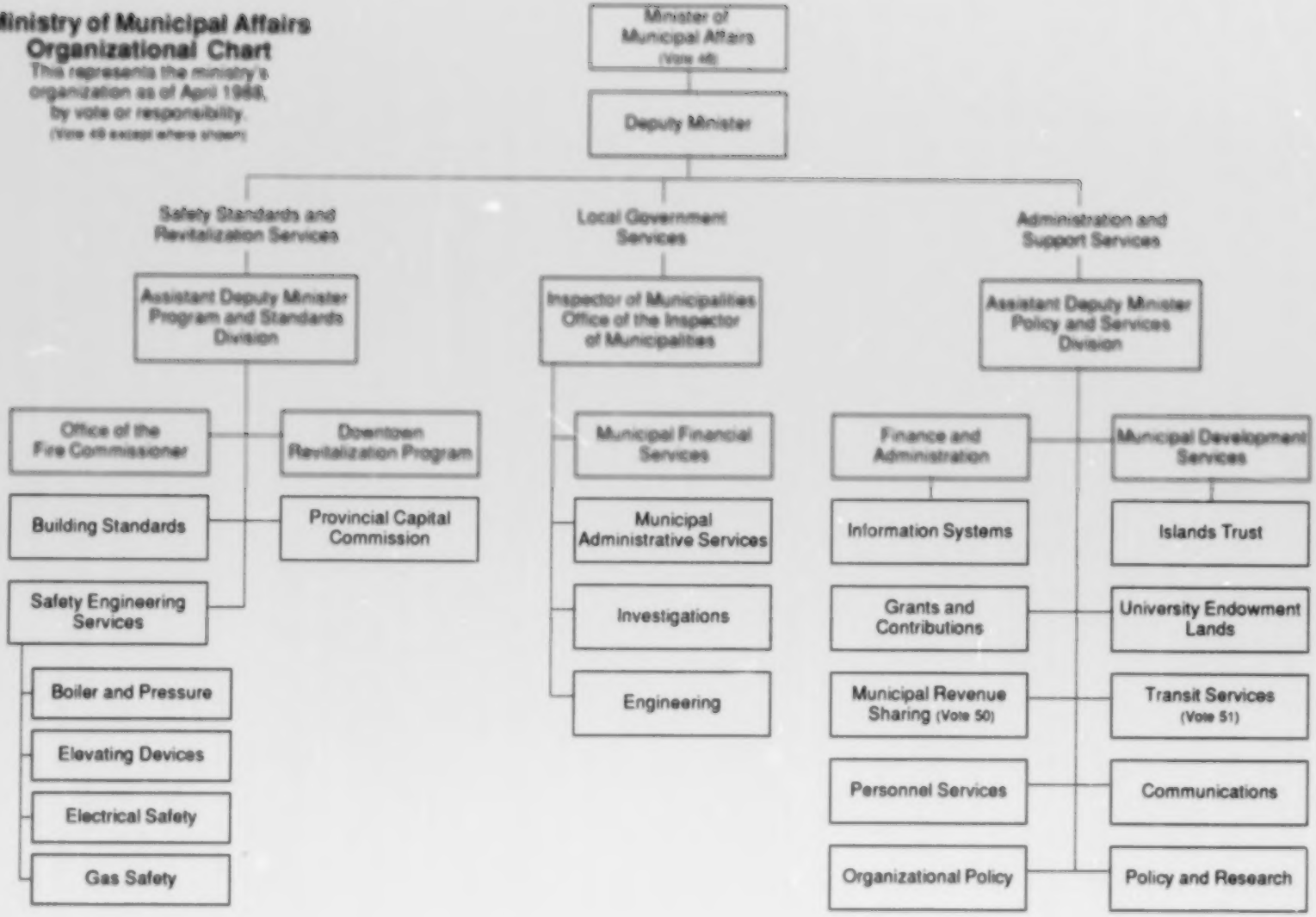
cerned with the internal programs and services to the ministry and are aimed at achieving effective and efficient management of the ministry.

The ministry also has responsibility for Transit Services, through a reporting relationship only; the ministry is responsible for budget allocation.

The following chart represents the ministry's organization as of April, 1988, broken down by vote or responsibility.

Ministry of Municipal Affairs Organizational Chart

This represents the ministry's organization as of April 1988, by vote or responsibility.
(Vote 49 except where shown)



The Year In Review

Legislative Summary

The Ministry of Municipal Affairs sponsored legislation in nine different government bills during the year.

Bill Number	Title	S.B.C. Chapter
30	Municipal Amendment Act (No. 1), 1987	14
31	Miscellaneous Statutes Amendment Act (No. 1), 1987	42
42	Miscellaneous Statutes Amendment Act (No. 2), 1987	43
44	Municipal Amendment Act (No. 2), 1987	38
45	Local Election Reform Act, 1987	41
46	University Endowment Lands Amendment Act, 1987	49
55	Miscellaneous Statutes Amendment Act (No. 3), 1987	44
59	Miscellaneous Statutes Amendment Act (No. 4), 1987	59
68	Miscellaneous Statutes Amendment Act (No. 5), 1987	60

Bill 30 contained several amendments to the liability provisions of the *Municipal Act* designed to balance reduced municipal susceptibility to claims with adequate protection for individual citizens from municipal negligence and misconduct. Bill 30 also included amendments to land use legislation (Bill 62) enacted in December 1985, which further streamlined the development regulatory process.

Bill 31 amended three separate Acts. The *Greater Vancouver Water District Act* was amended to provide legislative authority for the transfer of water to the U.S. community of Point Roberts. The *Municipalities Enabling and Validating Act* amendment allowed the city of Port Moody to transfer land and development rights to the province to settle outstanding loans. And finally, the repeal of the *Greater Campbell River Water District Act* allowed the transfer of its assets and responsibilities to the municipality of Campbell River

Bill 42 amended the *Home Owner Grant Act* to extend eligibility to purchasers of land subdivided after August 31 and the *Municipalities Enabling and Validating Act* amendment allowed Kitimat to tax Pacific Northern Gas retroactively on its resale of gas to another supplier.

Bill 44 introduced numerous amendments to the *Municipal Act* designed to clarify and streamline portions of the Act. The bill also allowed for the transfer from the ministry to the UBCM for the administration of the municipal commercial vehicle licence program. Other amendments added new sections to the act that authorized municipalities to enter into a joint scheme of self-insurance with another municipality, regional district or improvement district. Similar amendments authorized regional districts and improvement districts the same power. Other amendments related to the variable tax rate system.

Bill 45 included amendments to the *Municipal Act*, the *Vancouver Charter* and the *School Act* which introduced a system of uniform, concurrent three-year terms for local elected officials, including special timing for the Vancouver civic and school board elections. The new triennial system, which was supported by the UBCM, will result in reduced election costs and increased voter interest.

Bill 46 introduced measures to regulate land use within the University Endowment Lands. This bill was widely supported and established a solid legal foundation for a community land use code in the developed area.

Bill 55 contained amendments to the *Gas Safety Act*, *Electrical Safety Act* and *Power Engineers and Boiler and Pressure Vessel Safety Act*, intended to remove ambiguous wording in the present legislation and to enable provincial safety regulations to be consistent with national safety codes adopted for Provincial use.

Bill 59 amended the *Municipal Act* to allow local governments to use the provincial voters list to update their own voters lists. Also contained in Bill 59 was an amendment to the *Municipalities Enabling and Validating Act* to allow the Regional District of Central Kootenay to enter into an agreement with Incineraction Systems Inc. to operate an incineration system for the purposes of solid waste disposal.

Bill 68 contained a number of amendments to various Acts. An amendment to the *Municipal Act* allowed B.C. municipalities to form Business Improvement Areas and clarified section 578(1)(a). Amendments to the *Home Owner Grant Act* and the *Municipal Act* enabled the collector to apportion taxes to land subdivided during the period of August 31, 1986 to May 31, 1987. Amendments to the *Pacific Bible College Act* confirm that property tax exemptions which commonly apply to property used for educational purposes will also apply to the educational-use property of the Pacific Bible College. An amendment to the Vancouver Charter allowed the City of Vancouver to use the provincial voters list to update its own voters list. Finally, an amendment to the *Municipalities Enabling and Validating Act* concerning Elkford and Sparwood tax refunds were contained in this bill.

In addition, work continued on the drafting of new regional district (part 24) legislation. At the UBCM Convention in September, 1987, a discussion paper entitled "Proposed Regional District Legislation: A Discussion Paper" was introduced and distributed. This discussion paper provided the first view of what the policy proposals would look like in the form of legislation. Following this, a Regional District Forum '88 was held in Vancouver and provided an opportunity to discuss the comments received on the discussion paper and the ministry's proposed response. It is expected that new regional district legislation will be introduced in the legislature during the next session.

Ministry Regulations Summary

The ministry also enacted a number of regulations during the year. The following represent the most significant.

Act	Title	Regulation Number
Electrical Safety Act	Electrical Permits, approvals and fees regulation	127/87
Elevating Devices Safety Act	Elevating Devices Safety Regulation	102/88
Fire Services Act	B.C. Fire Code Regulation	102/87
Gas Safety Act	Gas Safety Regulation B.C. Propane Code Regulation	441/87 440/87
Islands Trust Act	Islands Trust Regulation	69/87
Municipal Act	Building Regulation of B.C.	339/87

Budget

The budget of the Ministry of Municipal Affairs has four components. First, there are **voted appropriations**. The four votes during the year were:

- ☐ Vote 48, Minister's Office
- ☐ Vote 49, Ministry Operations *
- ☐ Vote 50, Municipal Revenue Sharing
- ☐ Vote 51, Transit Services

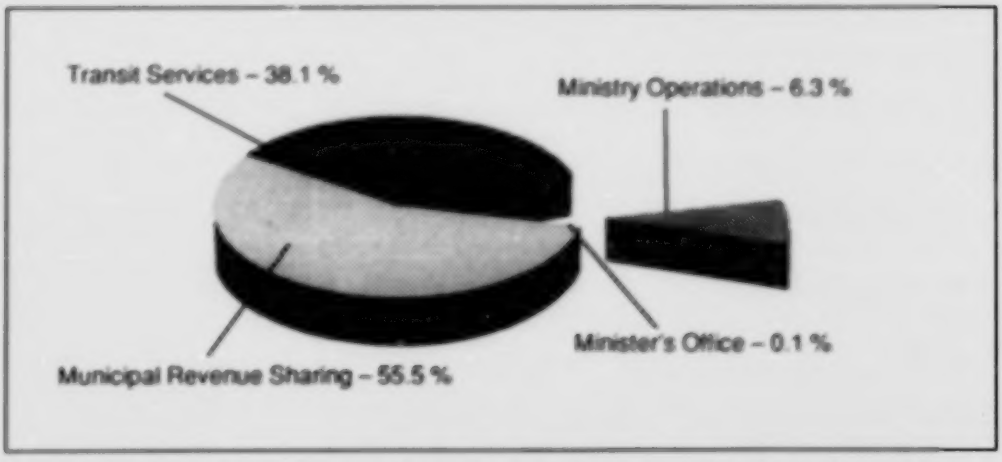
*Vote 49 is comprised of six sub-votes:

- Administration and Support Services
- Local Government Services
- Safety and Standards
- University Endowment Lands
- Provincial Capital Commission
- Grants and Contributions

The voted appropriation for Municipal Revenue Sharing is subsequently expended through a transfer to the second component, the *Statutory Revenue Sharing Fund*. The third component of the budget is a statutory special account for *University Endowment Lands Administration*. The final component of the budget is the *Downtown Revitalization Special Account* which was fully expended during this fiscal year.

In 1987-88, the ministry integrated the various program activities which were acquired in the 1986-87 reorganization. The impact on the ministry's operations and administration budget has been substantial. For 1987-88, the ministry's voted expenditure was $416.25 million. The figure below shows the breakdown by voted expenditure.

Vote Expenditures, 1987 - 1988



The ministry's budget continued to reflect its service orientation. As can be seen from the figure above, fully 55.5% of the ministry's voted appropriation was dedicated to grants and contributions to local governments in the province. Another 38.1% of total voted expenditure was allocated to urban transit. The operating costs of the ministry totalled

only 6.4% of total voted expenditure and were allocated to ministry operations, including salaries and benefits and the Minister's office.

The following table serves to illustrate a comparison between the 1986-87 and 1987-88 fiscal years voted expenditures.

Fiscal Year	Vote 50 Revenue Sharing	Vote 51 Transit Services	Vote 49 Min. Operations	Vote 48 Minister's Off.
1986-87	227,000,000	162,145,000	23,823,837	189,745
1987-88	231,000,000	158,635,000	26,379,686	235,919

Overall voted expenditures reflect less than a one per cent change.

Revenue Sharing

In 1977, the *Revenue Sharing Act* established a fund representing a fixed proportion of provincial general revenues. Funds diverted to revenue sharing are subsequently allocated to local governments. The revenue sharing program is regulated by the act and its regulations. The act establishes the fund, whereas the regulations disburse cash support through a variety of grants. The act also provides for a grant stabilization account to allow long-term budgeting on the part of municipalities. Money set aside in this account stabilizes the disbursement of unconditional grants from year to year.

The revenue sharing fund is generated from a number of provincial revenue sources. The act is very specific about the sources and how much is to be contributed by each of them (see Appendix Three for a description of grant formulas). Each year the fund receives the sum of: a) one point of provincial personal income tax; b) one point of provincial corporation income tax; and c) six per cent of a number of other provincial revenue sources.

For the fiscal year 1987-88, the amount generated from these sources was $228 million, an increase of $10 million from the previous year. The Stabilization Account had a balance of $29.15 million after a contribution to stabilization of $250,000 in 1987-88.

The following table illustrates the distribution of the money available among the different components of revenue sharing for the years 1986-87 and 1987-88.

Type	Name and Part	%	1987-88 $ In Millions	1986-87 $ In Millions
Revenue Supplements	Basic Municipal - Part I		8.09	6.31
	Regional District Grants - Part VII		2.16	1.33
	Unconditional - Part VIII		100.00	95.08
	Total	48.3	110.25	102.72
Infrastructure Subsidies	Water Facilities: Old-Part II		38.73	40.08
	Water Facilities: New-Part II		3.05	2.47
	Municipal Highways - Part V		8.96	5.69
	Sewer Facilities: Old-Part XI		61.05	63.11
	Sewer Facilities: New-Part XI		1.40	1.06
	Transmission Line - Part XII		0.37	0.08
	Total	49.7	113.56	112.49
Planning/ Study Grants	Municipal Planning - Part VI		1.24	0.56
	Sewer/Water Study Grant-Part XIII		0.45	0.42
	Total	0.7	1.69	0.98
Restructure	Restructure Grant - Part X	1.3	2.91	2.48
	Grand Total	100.0	228.41	218.67

This year, as in the previous year, more than 98 per cent of the fund has been disbursed to local governments in the form of revenue supplements and infrastructure subsidies. In 1987-88 the disbursement of funds through all programs has increased over the previous year.

Grants and Contributions

The ministry makes grants and contributions to local governments and to others. Included in this function are conditional and unconditional grants for local services to provincial property as provided under the *Municipal Aid Act* and other general grants to provide support to individuals, non-profit organizations and municipalities on an annual or as needed basis.

Type	1987-88	1986-87
Local Services to Provincial Properties	$ 775,000	$ 615,626
Improvement District Grants	$ 250,000	—
General Grants	$ 1,300,000	$ 548,645

Board of Examiners

Introduction

The Board of Examiners is responsible for awarding Certificates of Proficiency in

Municipal Administration and for issuing scholarship awards to eligible municipal employees.

The board derives its legislative authority from the *Municipal Act*, and is comprised of three members appointed to a three-year term by the Lieutenant-Governor in Council on the recommendation of the minister.

One member is nominated by each of the following: the Union of British Columbia Municipalities (UBCM), the Municipal Officers' Association of British Columbia (MOA) and the minister. The board's administrative and secretarial functions are performed by staff from the Policy and Research Branch of the ministry.

Clients of the board are local government employees who, for purposes of certification, occupy senior level positions within their organization. For purposes of scholarship awards, priority is given to persons wishing to improve their administrative skills and whose primary duties are in local government administration and/or finance.

In June, the board initiated, in conjunction with the MOA, a review of the Municipal Administration Certification Regulations. It was prompted both by the expanding job roles and responsibilities of municipal employees, and by the MOA's new education programs. Discussions continue and changes to the regulations will likely be advanced in 1989 which will more clearly reflect the board's criteria for issuing certificates.

Certification

Two kinds of certificates are issued by the Board of Examiners. These are an Intermediate Certificate and a Senior Certificate, both of which represent a recognition of an individual's proficiency in local government administration. The criteria for awarding certificates are based on both academic training and work experience.

Major Activities: In 1987-88 forty-seven applications for Senior and Intermediate Certificates in Municipal Administration were reviewed and awarded as outlined in Table 1 below.

This year the Board of Examiners gave formal approval to the MOA's Senior Certificate Educational Program for Municipal Employees. This program was developed by the MOA, in co-operation with the Board of Examiners and the University of Victoria. Successful completion of this program, which is administered by the University of Victoria, will meet the board's academic criteria for a Senior Certificate. The Board of Examiners believes that this program will greatly enhance the academic qualifications of municipal administrators in British Columbia.

Scholarships

The Board of Examiners administers two scholarship programs:

The Provincial UBCM Commemorative Scholarship/Fellowship Program was established in 1981 to commemorate the 75th anniversary of the Union of British Columbia Municipalities. The purpose of the program is to provide financial assistance to persons working in local government who wish to upgrade their professional skills through enrolment in post-secondary courses of study and or attendance at workshops or seminars relating to local government administration.

A total of fifty-seven scholarships were awarded in 1987-88. These awards totalled nearly all of the $25,000 which is allocated annually to the fund. Courses of study which were supported are outlined in Table 2 below.

The Jeff McKelvey Scholarship Fund is also administered by the Board of Examiners. This fund was established by the UBCM in the spring of 1986. Any local government

employee is eligible to receive an award from this fund to assist in improving his or her skills. One scholarship was awarded in 1987-88.

The Board of Examiners met four times in this fiscal year. In its review of scholarship applications, the board has been cognizant of its goal, in making its awards, to improve the professional skills of British Columbia's local government administrators. The awards made in 1987-88 reflect that goal.

Board of Examiners Activity - Certificates in Municipal Administration, April 1, 1983 - March 31, 1988

Year	Issued		Declined - Pending*			Total
	Intermediate	Senior	Int	Senior	Pending	Reviewed
1983-84	33	29	5	8	0	75
1984-85	27	14	12	9	0	62
1985-86	11	4	13	12	0	40
1986-87	12	20	15	9	0	56
1987-88	14	7	10	5	11	47

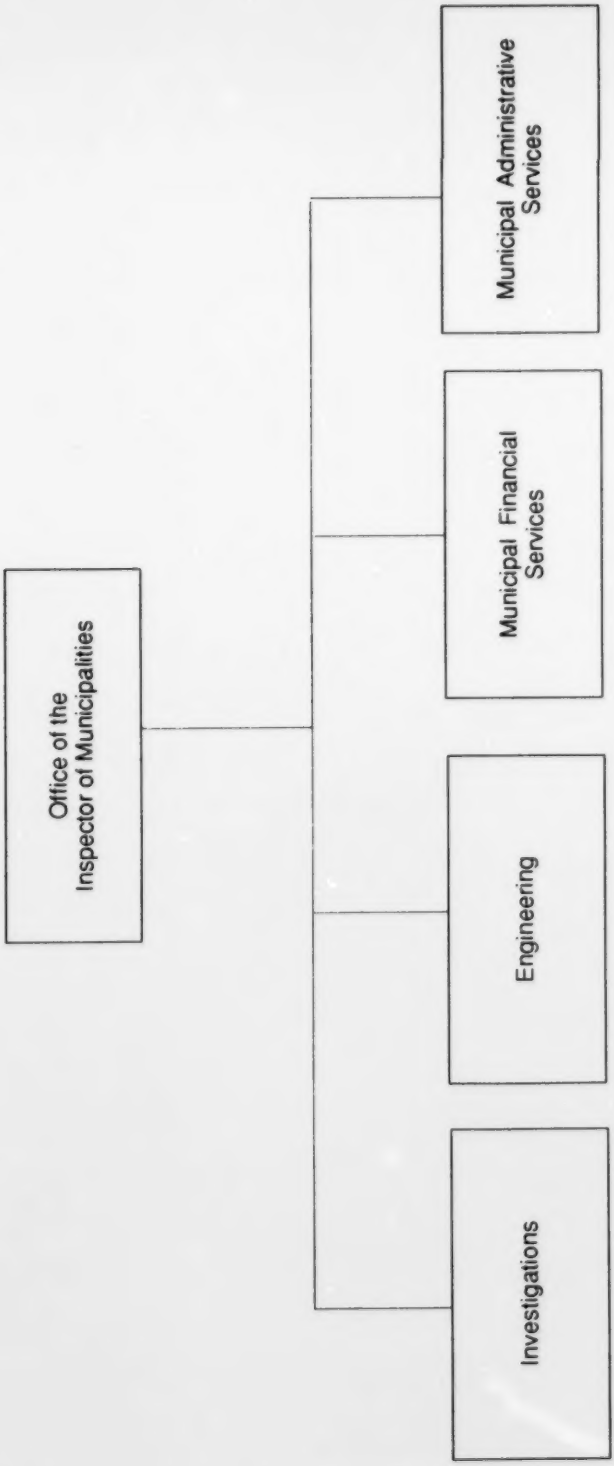
*Pending Reg. Review

Board of Examiners Activity - UBCM Commemorative Scholarship Awards, April 1, 1986 - March 31, 1988

Institution/Program	Number of Awards		$ Amount per Award	
	1986-87	1987-88	1986-87	1987-88
University of Victoria Public Sector Management	7	6	$500.00*	500.00*
Banff Centre, Municipal Management Courses	2	4	350.00	350.00
Camosun College Public Admin. program	-	1	-	100.00
Malaspina College Local Gov't Administration	5	4	190.00	190.00
U. of Washington Municipal Clerks' Institute	8	5	250.00	400.00
Municipal Officers' Assoc. M.A.T.I.	27	29	350.00	400.00
C.G.A. Association	7	5	500.00*	500.00*
Miscellaneous Courses of Study	4	3	varied	varied

* represents an average amount due to differences in course fees.

Local Government Services


Office of the Inspector of Municipalities
Municipal Administrative Services
Municipal Financial Services
Engineering
Investigations

Office of the Inspector of Municipalities

Total Budget: $1,458,139[1]

Budgeted Full-Time Equivalents: 34[1]

The Office of the Inspector comprises all Local Government Services programs. It is a statutory position established under Section 742 of the *Municipal Act* and is responsible for the over-all financial and administrative well-being of local government. In addition, as part of the senior management group, the inspector assists in the development of ministry strategies and programs. The Inspector is directly responsible for the operation of the Municipal Administrative, Municipal Financial, Engineering and Investigations Branches of the Ministry.

1 Note: Includes the budget of the Inspector of Municipalities and all branches under the Division's responsibility.

Investigations

Budget: Not separated from budget of Office of Inspector of Municipalities

Budgeted Full Time Equivalents: 2

Responsibilities

The principal function of the Investigations Branch is to adjudicate complaints over local government procedure. The branch also provides clarification and advice on the legislative process of local government in addition to assisting clients in defining their relationship with the appropriate local authority.

Major Clients

There are a variety of individuals who seek guidance and assistance from the branch, however, the primary parties are private citizens and corporations which perceive that local government activity has unreasonably and unfairly discriminated against their particular interest. Numerous inquiries are also fielded from elected and appointed local government officials, the media, the Ombudsman's office and other provincial ministries. Mainly these latter clients are seeking clarification of local government powers and the methods of implementation.

Objectives

The primary objective of the office is to resolve the client's source of dissatisfaction with the local government process either through an adjustment in the application of local administrative procedures or by clarifying the rationale and role of municipal administration and policy determination.

Activities

In 1987-88 the branch responded to some 600 inquiries of various types of which approximately one half were verbal and the balance in the form of briefs and letters. Of the latter, 70 were formally registered as investigative complaints requiring detailed review, including field trips where appropriate. In 1986-87 the branch also responded to 600 complaints, of which 97 were formally registered as investigative complaints. The principal categories from which complaints arose involved: property transactions and easements; Council powers and procedures; licences, rates, taxes and miscellaneous charges.

Forecasts

Experience indicates that incoming activity on the major categories of clients' concerns tend to increase with rising economic vigor in the province. This being the case, the investigation branch will concentrate on accelerating the resolution process. We also have some confidence that to the extent efforts are successful in increasing the awareness of local governments' jurisdiction as well as stressing improved communications at the local level, the need to seek provincial assistance should correspondingly be restrained.

Municipal Engineering

Budget: Not separated from budget of Office of Inspector of Municipalities

Budgeted Full-Time Equivalents: 1

Responsibilities

The Engineering Services Branch provides engineering support for ministry programs and an advisory service to local government under the following major headings:

- Water and Sewage Facilities Construction Grants. Evaluation of grant applications, and assignment of technical priorities for efficient allocation of limited grants.
- Water and Sewer Study Grants. Administration of a study grant program to encourage sound municipal infrastructure planning and needs assessments.
- Engineering Advice. General advisory service, especially to smaller municipalities, and engineering studies in situations of special provincial interest.
- Improvement Districts. Closer advisory and supervisory function for this level of government through liaison with the Ministry of Environment.

Major Clients

The main clients of the branch are local governments - municipalities, regional districts and improvement districts. Other ministry branches are significant clients in areas of joint or complementary program delivery, such as Municipal Financial Services, Development Services and Organizational Policy. Other clients include the Ministry of Health and the Ministry of Environment, the general public, and private sector consultants.

Objectives for 1987-88

The main objective for 1987-88 was to acquire better information on the type and magnitude of infrastructure problems in the province and to start tackling these problems on a priority basis. This would be achieved by:

- Encouraging the use of existing grant programs to complete realistic needs assessments.
- Completing provincial overviews of various types of problems and funding needs.
- Improved evaluation of rural servicing proposals to ensure effective use of scarce grant funds.
- Encouraging lower-cost alternative solutions to sewage disposal problems.

Major Accomplishments

An inter-ministry report with Health and Environment on rural sewage disposal problems was completed. It identified a cost of $47,000,000 to retrofit sewers in problem rural subdivisions and recommended changes to provincial subdivision regulations to avoid these problems in future.

In a broad overview of sewer and water problems, a task force documented an immediate need for expenditures of $226,000,000 to upgrade water and sewage treatment and to start tackling problems of aging infrastructure. The branch developed a survey questionnaire to help evaluate rural water and sewer problems and assist in setting priorities.

A $250,000 grant program for improvement districts provided 50 per cent grants to assist in tackling a few priority public health concerns.

An ongoing committee with the Ministries of Environment and Health was established to improve the evaluation of water and sewer proposals.

Activities

	1987-88	1986-87
Study Grants		
Applications processed	82	73
Grants approved	$684,685	$619,643
Facilities Grants		
Projects evaluated	265	209
Project grants approved	178	137
Value of grant applications	$26,874,224	$20,399,617
Value of grants approved	$13,494,157	$7,173,150
Improvement Districts		
Bylaws examined	7	16
Incorporation reviews	0	0
Trust fund releases	17	26
Investigations completed	35	51
Major project reviews	24	16
Engineering studies completed	8	11
Improvement District Grants Program		
Projects evaluated	163	
Project grants approved	23	
Value of grant applications	$2,800,000	
Value of grants approved	$ 249,547	

Forecasts

The high demand for scarce water and sewer grant funds will continue. Although surveys suggest existing infrastructure is in better condition in B.C. than in other parts of Canada, there is an increased demand for higher levels of water treatment and sewage treatment from a more informed and concerned public.

The branch will continue to monitor the impact of these demands and assist in directing provincial efforts to respond appropriately.

Municipal Financial Services

Budget: $700,000

Budgeted Full-Time Equivalents: 17

Responsibilities

The primary objective of the Financial Services Branch is to monitor and assist in maintaining the financial viability of local government by:

- providing advice on all aspects of local government finance, including current and long-term budgetary requirements and capital financing;
- reviewing capital financing proposals in order to make recommendations to the Inspector of Municipalities, who has a statutory duty under the *Municipal Act* to approve all long-term borrowing of local governments;
- reviewing financial statements;
- undertaking field visits and attending local government association conferences and meetings;
- recommending legislation; and
- reviewing capital grant applications.

The Improvement District Services Section is also responsible for administering improvement districts and reviewing improvement district bylaws for substance and form, co-ordinating references to other agencies where required, preparing recommendations for approval by the Minister or Inspector of Municipalities and evaluating information and preparing documentation on matters such as improvement district incorporations, boundary extensions and local government administration.

Major Clients

The clients of the Financial Services Branch are primarily local governments (municipalities, regional districts and improvement districts), but also include the public for information on financial matters affecting local governments, external auditors engaged in local government audits, professional engineers engaged in preparing studies for local governments and Statistics Canada and the Municipal Finance Authority for local government statistics. Major provincial government clients include the ministry's Organizational Policy, Policy and Research and Engineering Branches, the Fire Commissioner's Office and the Ministries of Environment, Finance and Corporate Relations, Health, Agriculture and Fisheries.

Objectives for 1987-88

The Municipal Financial Services Branch set five objectives for 1987-88:

- to continue the improvement of local government financial reporting by formulating additional accounting principles for local governments in British Columbia;
- to implement tracking and reporting systems for capital grant applications, and continue efforts to advance date of capital grant approvals;
- to improve information available to local government officials by updating appropriate sections of municipal and improvement district manuals;
- to increase field inspection visits to local government units;
- to administer a new grant program for improvement districts.

Major Accomplishments

During the 1987-88 fiscal year, in conjunction with the local government affairs subcommittee of the Institute of Chartered Accountants of British Columbia, the branch

developed an accounting principle on fixed assets, which should be issued in the 1988-89 fiscal year.

Staff visited 84 municipalities, regional districts and improvement districts to provide advice and obtain firsthand knowledge of local communities. These were reduced from the previous year and, to offset the decrease, staff attended seven chapter meetings of the Municipal Officers' Association and three Improvement District Association Conferences. The branch issued a major update of the Improvement District Manual, and successfully administered a new grant program for improvement districts.

Activities

		1987-88	1986-87
Loan Authorization Bylaws reviewed	- #	152	97
	- $ million	122	50
Reg'l Dist. Service Requests reviewed		141	155
Water and Sewer Rates Bylaws approved		35*	90
Reserve Fund Exp. Bylaws approved		65*	260
Water/Sewer Grant Projects reviewed		267	200
Improvement Districts:			
Bylaws registered		531	552
Order-in-Council and supplementary Letters Patent approvals		39	48

* Requirements for provincial approval deleted in 1987/88.

Forecasts

The implementation of the new assessment class for major industries and the consequential fluctuations in assessed values in the many resource-based communities in British Columbia will necessitate close liaison with affected communities to:

- provide appropriate advice on how to deal with the problems created by a fluctuating assessment base and;
- ensure that actions of local government do not conflict with policies of the provincial government.

Continued limits on funds for new water and sewer projects necessitate the development and application of guidelines for payment of higher-level grants. The lack of a continuing capital grant program for improvement districts requires the exploration of new methods of capital financing via regional districts.

Implementation of the new legislation for regional districts will mean an increase in the provision of advice, hands-on counselling and manuals.

Further development of the grant-tracking system will enable the branch to provide better information to the minister and senior executives potentially leading to the earlier release of approved grants.

Municipal Administrative Services

Budget: $431,521

Budgeted Full Time Equivalents: 12

Responsibilities

The Municipal Administrative Services Branch provides assistance and direction arising from legislation and other administrative requirements, to municipalities and regional districts throughout the province.

In particular, the branch reviews municipal and regional district bylaws for substance and form, prepares recommendations for approval by the minister or the Inspector of Municipalities as required under the *Municipal Act* or other legislation and coordinates references to other agencies where required.

The branch also evaluates information and prepares documentation on matters such as regional district functions, specified areas, boundary extensions and local government administration. Advisory services are also provided to local and regional governments.

Senior branch staff attend and represent the ministry at various chapter meetings of the Municipal Officers' Association and conduct field trips to municipalities and regional districts throughout the province.

Major Clients

The major clients of the branch are local governments - municipalities and regional districts - including their administrators, clerks and regional district secretary-treasurers; the general public; other government ministries and agencies and other branches of the ministry.

The branch maintains ongoing liaison with various other ministries, including Transportation and Highways, Attorney General, Provincial Secretary and Government Services and Environment and Parks. Liaison is also maintained with the B.C. Agricultural Land Commission, B.C. Assessment Authority, Municipal Finance Authority, the Union of B.C. Municipalities and the Municipal Officers' Association staff.

Objectives for 1987-88

The Municipal Administrative Services Branch set objectives in 1987-88 to continue to increase liaison with local government officials and to continue to assist in the decentralization program, as it affects local government, undertaken by the province.

Major Accomplishments

During 1987-88, the Municipal Administrative Services Branch expanded its participation at meetings of the various chapters of the Municipal Officers' Association by deploying additional staff to represent the Ministry and to provide direct liaison with local government officials.

The branch also continued its involvement in assisting with decentralization issues as they affect local government, with particular emphasis on the review of the need for the continuation of various statutory approvals which are currently required under the legislation. In addition, branch staff assisted in the formulation of proposed regional district legislation.

Activities

Municipal Boundary Revisions and New Incorporations

Supplementary Letters Patent were issued during 1987-88 authorizing revisions in

boundaries for 10 municipalities, as reflected in Table 1. A local census is taken in the extended area or the newly incorporated municipality and, in the case of existing municipalities, added to the census population or last certified population, and in the case of new municipalities, established as the official population until the next Federal census or until a boundary revision occurs.

Approvals by the Minister

During 1987-88, 887 items were considered and approved by the minister. Of these, 554 were for municipalities: 71 involved abandonment and vesting of highways; 84 involved appointments of members to municipal boards of variance and the remaining 339 involved miscellaneous municipal requirements.

A further 333 items were for regional districts: 20 involved appointments of members to regional district boards of variance; 14 involved building bylaws and 299 involved miscellaneous regional district requirements.

Bylaw Registrations

Bylaws in this category were examined for compliance with various provisions of the *Municipal Act* and other statutory authority. A total of 693 bylaws were reviewed, consisting of 615 for villages, 21 for districts, 32 for regional districts and 25 bylaws for the Resort Municipality of Whistler.

Orders in Council

The Lieutenant-Governor in Council approved 95 minutes of council - 41 of these related to regional districts; 39 to improvement districts; 10 to municipal boundary alterations and five to miscellaneous purposes.

Certificates of Approval

As follow-up to approval of loan authorization bylaws, 93 certificates of approval were issued to loan authorization bylaws and Municipal Finance Authority resolutions. One hundred and sixteen certificates of approval for security issuing bylaws were issued to support Municipal Finance Authority borrowing carried out in 1987-88.

Regional District Activities

During the 1987-88 fiscal year, 16 new functions were granted to the 29 regional districts. In addition, 23 Supplementary Letters Patent were issued, amending existing functions, altering cost apportionment formulas and tax rate limitations, increasing authorized borrowing for various capital projects and adding member municipalities.

Specified Areas

Forty-two specified areas were established in 1987-88. Of these areas, 24 were established by petition and 18 were established after property owners voted for the proposal. In addition, amendments to boundaries of 33 specified areas already established were completed.

Before regional government was introduced, community services administered locally in non-municipal areas were provided through the incorporation of improvement districts. New local service needs for non-municipal areas (with the exception of water, irrigation and dikes) are now almost all provided and financed by regional districts.

Many of the specified areas have been established adjacent to municipal boundaries. As demand for further services develops, the trend will be toward encouraging the incorporation of these areas within adjacent municipal boundaries. Isolated specified areas will probably retain their non-municipal status.

1987-88 Activities Table

Activity	1987-88	1986-87
Ministerial approvals	887	1,014
Bylaw registrations	693	619
Orders in council	95	138
Certificates of approval	209	217
Regional districts:		
- Functions	39	72
- Specified areas	57	53
Municipal boundary revisions	10	12

Forecasts

The ongoing elimination of statutory approvals for various local government activities has enabled and should continue to enable staff resources to concentrate additional time on field trips and other "on-site" activities with the various levels of local government.

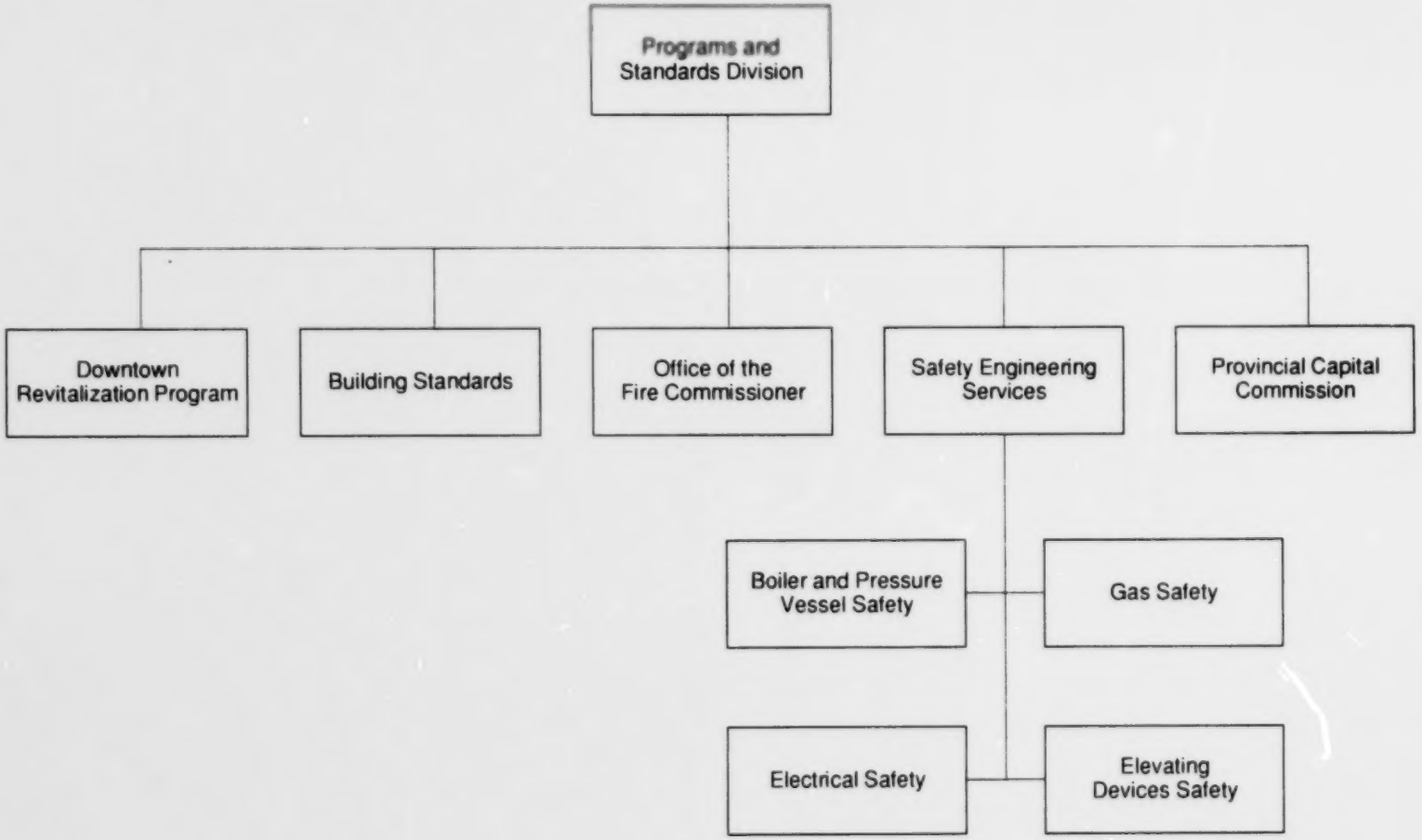
The Branch continues to participate in the study of computerizing the tracking of local government bylaws and other documentation which should enhance the processing of such documentation within the various branches of the Ministry.

In addition, the Branch continues to review the application of various sections of the *Municipal Act* with a view to amending sections which need clarification or which no longer reflect current practices and to repeal those provisions which no longer reflect accepted standards and needs of the community.

Municipal Boundary Revisions And New Incorporations, 1987-88

	Area (hectares)			Population		
Municipalities	Before	Addition/ Deletion	New	Before	Added	After
Cities						
Vernon	2,270.71	2.00	2,272.71	20,241	4	20,245
Nanaimo	12,552.64	2.03	12,550.61	49,029	Nil	49,029
Trail	1,483.96	7.66	1,491.62	7,948	3	7,951
Revelstoke	3,591.16	414.72	4,005.88	8,279	2	8,281
Quesnel	2,394.33	0.41	2,394.74	8,358	Nil	8,358
Port Moody	1,877.53	220.56	2,098.10	15,754	Nil	15,754
Vernon	2,272.71	0.43	2,273.14	20,245	3	20,248
Districts						
Abbotsford	13,856.69	64.75	13,921.44	14,496	196	14,692
Campbell River	13,608.95	0.23	13,609.18	16,993	Nil	16,993
Sechelt Indian Government District	(New Incorporation)		1,024.84	-	-	727
Towns						
Hope	485.64	1.06	486.70	3,046	Nil	3,046
Villages						
Anmore	(New Incorporation)		502.9	-	-	652

Safety Standards and Revitalization Services


Programs and Standards Division
Downtown Revitalization Program
Building Standards
Office of the Fire Commissioner
Safety Engineering Services
Provincial Capital Commission
Boiler and Pressure Vessel Safety
Gas Safety
Electrical Safety
Elevating Devices Safety

Programs and Standards Division

Total Budget: $ 14,017,381[1]

Budgeted Full-Time Equivalents: 251[1]

The Programs and Standards Division is administered by an Assistant Deputy Minister and programs comprise five main operations loosely organized into two groups.

The first group ensures a safe built environment and that its safety is maintained. This is achieved through the activities of the various safety standards offices: Building Standards, Safety Engineering Services encompassing Gas Safety, Electrical Safety, Elevating Devices Safety and Boiler and Pressure Vessel Safety operations and the Office of the Fire Commissioner.

The second group assists in renewing the principal commercial areas in British Columbia communities through enhancing the aesthetics of the built environment, promoted through the ministry's Downtown Revitalization Program. A related program applying only to the Greater Victoria area is the Provincial Capital Commission, which has an administrative link only to the ministry.

1 Note: Includes budget of the Assistant Deputy Minister and all branches under the Division's responsibility, including the Provincial Capital Commission.

Downtown Revitalization Program

Budget: $68,083

Budget Full-Time Equivalents: 1

Responsibilities

The Downtown Revitalization Program is responsible for encouraging joint efforts by merchants and municipal councils to improve the physical and promotional presence of the downtown areas in communities throughout B.C.

The program administrator provides advice and guidance to municipalities and merchants and facilitates the provision of loans, grants and other economic incentives to finance the improvements.

Under the *Special Funds Act* of 1980, $25 million was set aside to enable this initiative of rejuvenation of the province's downtowns to become a reality.

Major Clients

The program administrator is expected to establish a working relationship with municipal councils, their staff, merchant associations and officials from other ministries of government involved in related programs or programs directed at revitalization and restoration of business core facilities.

He also works closely with consulting firms throughout the province whose services are employed by municipalities for the purposes of economic or revitalization planning and design.

Objectives

The objectives of the Downtown Revitalization Program, through its many funding subprograms, is to improve the economic viability of downtown areas. This objective is attained through a consensus of municipality, merchants and property owners as to what is required to improve the economic picture of the business core. Physical improvements, marketing and business practices are reviewed and through a joint effort improvements are made.

Major Accomplishments

To date 140 municipalities have been designated under the Downtown Revitalization Program.

The program's $25 million fund will by year-end see 80 projects completed.

Activities

	1987-88	1986-87
Capital Construction Loans	$2,500,000	$3,000,000
Various Grants (Startup, Planning Facade and Improvement)	423,000	439,000

Forecasts

This is the final year of the $25 million 1980 Downtown Revitalization Program.

By year end 1987-88 over 80 projects will have been completed and nearly all municipalities in the province will have had some involvement with the program.

Building Standards

Budget: $315,025

Budgeted Full-Time Equivalents: 6

Responsibilities

The Building Standards Branch provides a comprehensive support service on the use and application of the provincial building and plumbing codes, regulations and related standards. The branch supplies technical support and secretarial services for the Building Code Appeal Board established pursuant to the *Municipal Act* (Chapter 290, Section 741), consolidated November 2, 1987).

The Building Standards Branch program includes the following services:

- Codes and standards form the basis of the program. Provincial amendments to the national codes are compiled with the assistance of ad hoc committees to ensure that our codes reflect provincial code user needs and maintain safety standards for the general public. Representation is provided on many national standards writing committees, covering standards referenced in the building and plumbing codes, to ensure that these also reflect provincial needs;
- Education and information support services, including technical seminars, are provided to all code users to assist in interpretation of these codes. Bulletins and resumes of appeal board decisions are issued to maintain code user awareness of current developments and obtain uniformity of code application. A telephone service is maintained to give technical advice and settle disputes between code users on an informal basis, thus avoiding many costly construction delays within the province;
- Liaison with federal and other provincial code authorities is maintained on an ongoing basis in order to not only maintain technical expertise within the branch but promote uniformity of code application across the nation;
- Technical evaluation of new building or plumbing materials and systems, manufactured or being distributed in B.C. provides a valuable service to local industries in achieving code compliance and general acceptance for use in provincial construction projects.

Major Clients

As the basis of the branch program is to obtain safe and healthy design and construction standards for buildings, balanced to a reasonable cost factor, the ultimate benefactors are the general public of the province. Within this process the branch maintains an active involvement with other provincial ministries, municipal administrators, inspectors, designers, lawyers, manufacturers and contractors.

Objectives for 1987-88

In education and information services activities, the objective was to increase the flow of technical information and knowledge to all code users to offset the increasing complexity of modern construction requirements. The branch also set an objective to increase activity at the national level and maintain technical expertise within the branch in order to strengthen its ability to serve provincial code users and maintain existing safety standards with existing resources.

The branch endeavoured to increase awareness and appreciation of the provincial requirements for accessibility to buildings.

Major Accomplishments

The branch completed an extensive process of accepting and preparing for adoption

many proposed changes for a new building code (revised on a five-year cycle). This was done through an open code change process, a first in Canada, culminating in the adoption of the present edition of the code.

In the education and information service areas, the branch increased the number of bulletins normally issued and gave many seminars throughout the province, in connection with the new codes.

Branch staff during this year represented the province on many national committees dealing with codes and standards.

Activities

	1987-88	1986-87
Technical research for B.C. Building Code Appeals	95	66
Formal Branch Opinion and Approvals	76	77

(Statistical data on other activities not available)

Forecasts

In the coming year the branch will become more involved in the computerization of building codes and related documents. The branch will also begin formulating a process in preparation for the next major code change cycle.

The complexity of modern building techniques and materials is steadily increasing and coupled with environmental issues related to the built environment will require a closer monitoring of major changes and trends in the construction industry.

Office Of The Fire Commissioner

Budget: $2,949,306

Full-Time Equivalents: 43

Responsibilities

The Fire Commissioner through his office, the Division of Fire Safety, and five regional offices, administers and enforces the *Fire Services Act* and pursuant regulations, which provide minimum acceptable standards to reduce loss of life, injuries, and property damage from fire. The *Municipal Act* contains provisions for the establishment of fire departments and the Office of the Fire Commissioner provides a consultative and advisory role on the technical issues involved.

The Ministry of Forests has the responsibility for forest fire protection, but where a forest fire threatens a settlement, the Fire Commissioner will exercise evacuation authority with forestry fire officials.

Other responsibilities are to:

- consult with and advise governing bodies on matters of fire prevention and fire suppression;
- establish minimum standards for the selection and training of fire service personnel;
- provide funding for the Fire Academy at the Justice Institute to develop and deliver training programs;
- investigate fires which are of suspicious origin, involve extreme financial loss, or where loss of life has occurred;
- provide emergency response to hazardous material incidents where evacuation is imminent or technical assistance is required;
- assist and train local assistants to the Fire Commissioner in developing suitable local fire prevention programs;
- conduct fire protection surveys to assist in establishing or upgrading of fire suppression programs of municipalities, regional districts, improvement districts and other governing bodies;
- collect, study and publish information on fire losses in the province.

Major Client Groups

The largest client group is the fire service which consists of approximately 3,000 full-time career firefighters, 6,000 volunteer firefighters and 300 industrial firefighters in approximately 500 fire departments in B.C., who are trained or supported by the OFC in a variety of ways. There are presently 605 local assistants to the Fire Commissioner who are directly supported by the OFC.

Other clients include architects, designers, building owners and managers, building inspection authorities, the insurance industry, product testing and research organizations, lawyers, municipal administrators, other provincial government branches and the general public.

Objectives For 1987-88

The OFC set the following objectives for 1987-88:

- develop a proactive method of identifying needs of client groups utilizing regional staff for input;
- introduce advanced uses of computers to maximize efficiency in areas of

desktop publishing, controlling fire statistical information, and "word search" for information retrieval;
- continue support for the Fire Academy in developing course material;
- develop a guideline for the fire service in matters related to risk management.

Major Accomplishments

Fire Loss Reduction

In 1987, British Columbia recorded the lowest number of deaths by fire in 34 years. Forty-three persons died in fires, compared with 58 in 1986. This reduction is attributed to better-trained firefighters, more efficient code enforcement, installation of smoke alarms and public education programs. The number of fires was also reduced, although the over-all dollar loss, adjusted for inflation, showed an increase.

National Fire Drill

The OFC again co-ordinated participation in the annual National Fire Drill on October 9, 1987. Surveys showed a constant rise in awareness of the program and supported its continuation. The drill is sponsored by McDonald's and receives considerable support from schools, local businesses and the media. Fire departments have developed other local awareness projects locally which revolve around the occurrence of this event.

Regional Local Assistant Seminars

The OFC held six regional seminars to provide training to newly- appointed and existing local assistant fire commissioners and the RCMP. These seminars appeal to local assistants who, for a variety of reasons, were unable to attend similar training programs offered at the Fire Academy in Vancouver.

The next year will see a further increase in Local Assistant Fire Commissioner Regional Courses being presented, with support of a Local Assistant Handbook which is presently in early stages of development, along with updated audiovisual material to assist instructors.

Statistical Summary of OFC Activities

	1986/87	1987/88
Fire Investigations	310	364
Plan Reviews	1,132	1,151
Appeals	319	461
Fire Protection Surveys	24	25
Fire Safety Inspections	780	972
Court Appearances (criminal and civil)	37	55
Other Emergency Responses	7	10

These statistics do not reflect representation at committee meetings, municipal council meetings, fire service meetings or training programs.

Fire Academy

During 1987-88 the Fire Academy conducted training and development of training standards for 6,245 firefighters using various methods of instruction.

"Edukits" on the basic fire suppression subjects continue to be developed to supplement the Volunteer Certification program.

The distance learning Professional Office Program experienced an enrolment of 1,618 candidates and the Administrative Officer and Fire Prevention Officer blocks of this program will be introduced in the winter semester, January - March 1988.

Future programs are being developed in areas of hazardous materials, first responder, incident command, vehicle extrication and alarm room operator. It is felt that some subjects will be given the greatest exposure if they are offered at regional levels.

Information Services

Infirmation, the official bulletin of the Fire Commissioner, continues to be published bimonthly and maintains a circulation of 2,800 copies. This is received by fire service personnel, building inspectors, insurance industry personnel, media, and others interested in fire safety.

Fire Losses in B.C. 1986, a statistical report, was published and distributed to interested parties including fire service, insurance companies and other government agencies. This fulfils a statutory obligation placed on the Fire Commissioner. In 1987-88 the OFC responded to 528 requests for copies of fire reports from lawyers, insurance companies, or persons who were involved in fires.

Forecast

The early retirement incentive program resulted in the retirement of four staff which achieved the ministry goal of reducing the FTE level to 39. The impact is twofold. There is a significant expense attached to filling the Deputy Fire Commissioner positions on an acting basis in light of entitlements under Treasury Bill 40. And a reduction of four staff ensures that priorities must be examined closely. Although staff have been reallocated to key functions, an inevitable decrease in the level of service provided to client groups is to be anticipated.

The role of the OFC as a conciliatory organization has been demonstrated in two fire protection districts during the 1987-88 fiscal year. Considering the special needs and relationships which exist, particularly in volunteer fire departments, this will be an area which will place greater demands on our staff in future.

Conflicts between the current regulations administered by the OFC and other ministries, i.e. Building Safety Standards and Ministry of Environment, have been identified and much work is required to resolve these differences.

Safety Engineering Services

Budget: $9,976,216

Budgeted Full-Time Equivalents: 200

Safety Engineering Services Division is an affiliation of safety branches with a common mission. The division is comprised of four operational branches: Boiler and Pressure Vessel Safety, Electrical Safety, Elevating Devices and Amusement Rides Safety, and Gas Safety, and is supported by an administrative component. The division's 200 personnel are employed throughout the province in 37 regional and branch offices. The executive director, branch directors, senior managers, and technical staff are located in Vancouver.

Mission and Operations

The primary objective of the division is to provide a safe living and working environment for the people of British Columbia within the context of the governing acts and regulations. This is accomplished through inspection, certification, licensing, examination, equipment approval, education, codes and standards development and accident investigations.

Achievement of the objectives has been modified to reflect economic conditions and public expectations. The approach has evolved from a rather restricted "policing" role to a consultative approach with increasing trade and industry involvement through the concept of shared responsibility and increased self-regulation.

The responsibility for ensuring that installations and equipment meet standards is shared with trade and industry, while regulatory activities such as inspections, audits, and plan reviews are increasingly used as a support mechanism to verify and assure compliance and to maintain standards. In this way, division objectives are achieved with minimum government involvement and resources are increasingly devoted toward the promotion of safety awareness and education.

Advisory committees composed of all facets of industry are widely used in the preparation of legislation and regulations and to provide an appropriate forum for safety dialogue.

A monitoring and auditing approach is employed to identify repetitive hazards and, where necessary, to take disciplinary action. Each act incorporates appeal procedures to ensure that decisions may be grieved through an open and impartial hearing.

Representatives from the division participate in international and national standards writing-activities to ensure British Columbia has a voice in establishing the standards that are ultimately applied to our residents and industry. In this way, codes and standards activity costs are minimized, the consensus principle is used, national safety expertise can be focused on specific issues, and provincial standards are compatible with the rest of Canada.

Cost recovery is based upon a user-pay policy. The division successfully achieved the FY 1987-88 revenue goal of recovering 100 per cent of all costs directly attributable to users. In so doing, revenue for all services exceeded $7.8 million. The division has embarked upon a revenue plan to recover all operating costs by FY 1990-91; over that period, revenues are expected to increase by 20 per cent, exclusive of inflation.

Boiler And Pressure Vessel Safety

Budget: $1,240,642

Budgeted Full-Time Equivalents: 31

Responsibilities

The Boiler and Pressure Vessel Safety Branch provides safety programs and regulatory services concerning pressure containment equipment and installations for the public, commercial and industrial sectors of the province.

The branch is accorded authority under the *Power Engineers, Boiler and Pressure Vessel Safety Acts* and regulations to ensure safety in the design, manufacture, construction, installation, operation and repair of boilers, pressure vessels, refrigeration plants and pressure piping systems.

Branch safety assurance programs reflect consultation and advisement from several sources:

- Codes and standards both national and international, are the quality-standard basis for the program. Representing the industrial sector and public on these codes, standards and technical committees ensures that codes and standards are reasonable, sufficient and that British Columbia interests are considered.
- Information and education work with client groups supports the program philosophy of shared responsibility for safety. A bulletin distributed to various participating sectors of industry serves an interpretive and informative role.
- Educational seminars and presentations to technical and operations groups maintains a knowledge of current code application, increases safety through awareness and helps to reduce regulatory requirements.
- Design survey registration is a vital function in ensuring that boilers, pressure vessels and associated equipment meet acceptable safety standards prior to installation and reduces costly accidents and other problems.
- Shop audits of manufacturers of pressure containment units ensure that the quality of products produced in B.C. are acceptable to national and international standards.
- A power engineers examination and licensing program provides industry with pressure plant operating personnel qualified to a national standard.

Major Clients

The branch safety program objective is to provide a safe environment for British Columbians concerning the installation and operation of boilers, pressure vessels, pressure piping and refrigeration plants.

Primary clients are equipment fabricators, pressure plant owners and operators in forestry, mining, manufacturing, commercial and institutional facilities. Secondary client groups include design and consulting engineers, contractor associations and testing agencies.

Objectives for 1987-88

The primary branch objective for 1987-88 was a more effective delivery of our program to our client groups as well as providing more up-to-date information through the use of data in our computer system.

With the implementation of an annual billing system we are better able to provide an accurate base for operation, planning and budgeting to our clients.

Other objectives included:

- Implementation of a comprehensive defect reporting system covering all

conditions encountered during inspections to enable better response to potential safety concerns and provide a risk management base for operations.

- Implementation of an updated mechanical refrigeration code regulation to ensure that persons knowledgeable in refrigeration are the operators in charge of such systems, which will promote greater safety in the operation of refrigeration systems and subsequent reduced hazard to the general public and work force in their vicinity.
- Preparation of guidelines for use by owners and users to establish a quality control system enabling such companies who maintain staff with sufficient expertise and resources to participate in the shared responsibility for safety of pressure vessels which they own and operate.

Major Accomplishments

- Initiated a registration and inspection program for LPG (propane) companies based on shared responsibility, quality control and audit systems.
- Established quality standards criteria and regulation procedures for compressed natural gas containers in automotive applications.
- Conducted a survey of pressure plant condensate water collection tanks in B.C. and resolved safety problems concerning these vessels.
- In the codes and standards area, initiated acceptance of Canadian Standards Association registration procedures for fabrication of pressure vessels.
- Renegotiated federal-provincial memoranda of agreement covering inspection of boilers and pressure vessels under federal jurisdiction.
- The branch cost recovery rate in 1986-87 reached 68.7%, and was on schedule with objectives of the division cost recovery plan.

Statistical Summary

	1986-87	1987-88
Contractors licenses issued	847	651
Boiler and Pressure Vessel Inspections	7,301	6,285
Piping Systems Inspections	13	8
Manufacturing Shop Inspections	504	475
Boiler Branch Special Inspections	302	107
Boiler Installation Permits Issued	221	223
Refrigeration Plant Installation Permits Issued	263	407
Boiler Branch Survey of Designs Processed	841	1,150
Welding Examinations Given	518	680
Welding Procedure Approvals	77	66
Power Engineers Examinations given	1,100	856
Boiler Branch Miscellaneous Activities	481	265
Accident/Incidents Investigated	7	9
Reported Injuries	2	3

Forecasts

In the coming year the Branch faces accelerating growth rates in capital construction and greater demand on resources. Increased efficiencies are required to maintain present activity levels. This will be accomplished through reducing "hands on" inspections and placing more responsibility on contractors and owners through increased auditing and monitored self-regulation.

Working with industry, the branch will continue to further the shared responsibility concept for safety assurance.

Electrical Safety

Revenue: $3,985,592

Expenditure: $4,164,106 Budgeted Full-Time Equivalents: 74

Offices: Vancouver Head Office, 35 Regional Offices.

Responsibilities

With the general mandate of ensuring electrical safety in both the working and living environments, branch policy is to achieve this at minimum cost to industry and consumers and without imposing any burden upon general taxation revenues.

The *Electrical Safety Act* (Chapter 104, June 3, 1983 consolidation) provides for minimum safety requirements and sets the regulatory powers to ensure that these are achieved. A comprehensive electrical safety program exists today, designed for effectiveness and efficiency, including:

- Participation in the decision-making process by all those affected by the program is sought through the electrical safety advisory committee to the minister. Input and direction on major issues have traditionally been by consensus.
- National codes and standards are adopted for conditions in British Columbia and turned into a working document for industry. A committee process moderates the codes and standards to ensure that they are necessary, sufficient, reasonable and cost-effective.
- Increasing emphasis upon education and information is key to the prevention of accidents and to the cost-effectiveness of the program.
- Contractor certification goes some way to ensuring that industry is capable of accepting a share of the responsibility for safety.
- Inspection services form a key part of the program, and these are of an audit nature. At present the branch has reduced the audit level as far as it responsibly can without a negative impact upon installation standards and subsequent safety levels.
- Approval services for electrical equipment are provided where the equipment is for use or sale in British Columbia. The service is provided only for those who have difficulty in being able to utilize the services of a certification agency recognized by the regulations.
- Municipalities may elect to provide their own inspection services. In these cases the branch is responsible for ensuring that an effective service is provided, and for attempting to maintain uniform standards. Most municipal inspection services do not share the responsibility for safety with industry to the extent that the branch does.
- Utilities and major industrial operations are recognized as having special competence and are subject only to monitoring of safety standards and periodic inspection.

Major Clients

Primary clients are electrical contractors, equipment manufacturers, electrical workers, and others involved directly in the installation or alteration of electrical systems and equipment. Secondary clients include all those coming into contact with electrical systems and equipment.

Objectives for 1987-88

- Cost recovery for services provided, including allocated costs, is targeted for 1990-91 and significant progress towards this must be made.

- New overhead line regulations are needed for utility and private line work.
- New contractor regulations are needed to ensure progress towards greater shared responsibility is maintained in a workable manner.
- Increasing accidents with children indicated a need for education and information to be more effectively communicated.

Major Accomplishments

- The electrical safety advisory committee concluded work on new electrical work regulations which will enhance safety in the electrical contracting industry and at the same time allow reduced permit requirements.
- A safety awareness program for Grades 4-6 was introduced province-wide and successfully integrated classroom presentations by inspectors with take-home activities for the children.
- Cost recovery continued on track towards break-even in 1990- 91, assisted by increased construction activity. The fee schedules for the branch were simplified and inequities eliminated.
- New overhead line regulations are being prepared in conjunction with a subcommittee, bringing together all those affected.

Activities

	1986-87	1987-88
Permit Applications		
Contractor	43,536	48,666
Homeowner	7,894	7,835
Annual Permit	1,014	906
Equipment Approval	6,921	7,410
Inspections		
Site	73,202	76,179
Authorized	28,163	35,033
Equipment Approval (pieces)	40,481	N/A
Examinations	617	635
Contractor Certificates	4,828	5,032
Plans Examinations	609	551
Meetings/Seminars	72	163
Hazard Eliminations	1,707	2,010
Fires/Accidents		
Electrical fatalities	154	147
Electrical burns	0	6
Electrical shocks	5	3
Electrical equipment failure	19	24
Electrical fires	42	32

Forecasts

The branch expects to be severely impacted by the government's early retirement program due to branch demographics with at least a 25 per cent turnover in inspection staff. Combined with an expected surge in construction activity, branch resources will have difficulty maintaining the desired level of inspection services in the short-term.

In 1988-89, significant regulatory changes are expected to be introduced, shaping the direction of the electrical safety program in British Columbia for the next few years ahead.

Elevating Devices Safety

Budget: $1,034,000

Budgeted Full-Time Equivalents: 21

Responsibilities

The primary mission of the Elevating Devices Safety Branch is to ensure the safety of the people of British Columbia when using elevators, escalators, amusement rides, aerial tramways, ski lifts and similar devices. This is accomplished through the administration and implementation of the mandate legislated in the *Elevating Devices Safety Act (1985)* and pursuant regulations.

The six major aspects of the branch's program are:

- The 12-to-16 month inspection cycle of the 10,600 registered devices ensures that all installations are maintained in a safe condition, and perform in accordance with the requirements of the applicable codes and regulations. Accidents, equipment failures or other events that result in personal injury or damage to a device are investigated by the branch. The branch responds to complaints from the public regarding the operation or condition of elevating devices by making special inspections or taking other appropriate action.
- Prior to submission to the Elevating Devices Safety Branch, all drawings, specifications and data sheets must be prepared, sealed and signed by a professional engineer.
  Before elevating devices are made operational for use in British Columbia the equipment must be registered, tested and certified.
  This activity assures that basic design and code requirements are adhered to and that drawings and specifications are professionally presented. The subsequent acceptance-testing program by the branch is a practical affirmation that the device can be certified to operate.
- The annual contractor registration program states that:
  "No person or contractor shall construct, install, alter, repair, maintain or test any device unless that person or contractor is registered [under the Act] as being competent to perform such work."
  This aspect of the program means that the contractor must maintain a recognized level of expertise in engineering, construction and maintenance to operate in the marketplace.
  Contractor examination and subsequent registration is a significant and evolving aspect of self-regulation.
- In a consulting and educational role, the branch and the advisory committee encourage the participation of the trade, industry and the public in the continuing development of the safety assurance program. The objective is to establish a communication network and ensure uniformity and compatibility in a competitive and technically-changing environment.
- Within the framework of the Act, the adopted codes and standards form the basis of the safety assurance program. Representatives from the branch participate in the formulation of the national codes. The program subsequently ensures that the regulation, codes and standards are applied in a practical and effective manner.
- The Elevating Devices Advisory Committee and the Appeal Board are groups composed of members from all facets of the industry. The chairman, on behalf of the committee, reports to the minister and the branch respecting all matters relating to safety and appeals concerning elevating devices.

Clients

The external clients of the program, in addition to the estimated several billion passengers of elevating devices annually, include more directly the owners and managers of elevating devices, manufacturers, contractors, government agencies, codes and standards organizations, elevating device engineering and architectural consultants and the insurance industry.

Internally, the clients are the provincial Fire Commissioner, associated fire departments, the building standards branch and the inspector of municipalities.

Objectives for 1987-88

Rapid technological changes, increasing workload and restrictions on the resources available will impact on the effectiveness of the branch to respond to the market place.

Subsequently, in 1987, a review of industry and the role of the branch was undertaken as a special project which resulted in the development of a strategic plan. It identified two primary objectives:

- Develop a stable revenue structure based on 100 per cent recovery of expenditures.
- Pursue the concepts of shared responsibility with owners and industry.

The second objective will ultimately see the branch evolve from a "policing" role to one of consulting and auditing, with an increasing emphasis on trade and industry involvement.

Major Accomplishments

- Completed strategic plan based upon the concepts of shared responsibility.
- Implemented revised revenue structure with the introduction of the Certificate to Operate program. Feedback from owners and industry is positive.
- Detailed audit of the amusement ride industry resulted in a complete inspection program in 1987. NDT inspections, welding requirements and an end-of-year industry/branch meeting were additional aspects of the audit activity.
- Branch inspector staff training was viewed as a high priority. Two inspector seminars, a NDT course, a CSA welding course and an amusement ride seminar were all successfully completed.
- The advisory committee played a key role in advising and supporting the strategic plan, the concepts of shared responsibility and the Certificate to Operate program.

Activities

	1987-88	1986-87
Inspections Conducted	7,637	8,423
Individuals/Contractors Licensed	136	65
Investigations Conducted	300	443
Plans Registered	538	368
Meetings/Seminars Conducted	140	149
Written Recommendations on Defects & Hazards	21,171	18,246
Fatal/Nonfatal Incidents & Accidents Investigated	82	179
Licence Suspensions	50	72
Property Loss	$300,000	$232,000

Forecasts

Record growth rates reaching 600 new installations per year and an increasing workload totalling 11,500 units in 1989 will have an impact on the branch. From a resources point of view the branch will experience a reduced FTE level and budget restraints.

The branch will continue with the development program as outlined in the strategic plan. The concepts of shared responsibility and increased self-regulation need to be pursued vigorously.

The responsibility for ensuring installations and equipment standards must be shared with trade and industry, while regulatory activities such as inspections, audits, and code compliance reviews will verify and assure that standards are maintained.

Emphasis must be placed on safety education activities in order to promote increased awareness of safety hazards.

Gas Safety

Budget: $1,922,695

Budgeted Full Time Equivalents: 37.5

Responsibilities

The primary responsibility of the Gas Safety Branch is to ensure a safe living and working environment for the people of British Columbia in matters concerning the distribution and utilization of natural gas and liquefied petroleum gases in accordance with the authority mandated in the *Gas Safety Act* and Regulations (Chap. 149 consolidated December 1985). This is achieved in the following ways:

Development and interpretation of Codes and Standards

- Codes and standards are fundamental to the application of safety requirements for the distribution and use of natural and propane gases in the province of British Columbia. Representation on national code committees ensures their applicability to B.C. and provides a mechanism for amending these codes where necessary. Involvement in these code committees also facilitates their correct application and interpretation.

Examination and Licensing of Gas Fitters

- Examination and certification of gas fitters ensures that those people installing and distributing natural and propane gases in B.C. are properly qualified and knowledgeable to enable them to perform safe installations.

Licensing Gas Contractors

- Licensing gas contractors ensures that they are aware of the necessary permit procedures and that they only employ those who are properly certified and qualified.

Incident Investigation

- Incident investigations take place as a result of fires, explosions, death due to malfunctions of equipment, etc. Branch personnel are often required to provide expert opinion for fire departments in civil and criminal litigation, in regard to safety practices and procedures.

On Site Inspection and Field Testing

- On site inspections are performed to ensure that installation standards are being properly interpreted and applied and that equipment is properly approved and certified.
- Field testing is carried out to ensure that minimum standards of safety are met by new equipment or on equipment where there has been some concern regarding safe operation. This involves compliance with national standards where they exist and the establishment of minimum safety operating standards where there is no existing national or provincial standard.

Certification of Appliances

- The branch ensures compliance of equipment to nationally recognized standards where applicable. A special gas certification is available for those appliances and equipment for which there is no standard. This involves field inspection to ensure normal safe operation and to confirm that, in the event of an upset condition, the equipment will automatically shut down without causing any danger to the public at large.

Major Clients

The branch's responsibility is to ensure that natural gas and LP gases are distributed and utilized safely throughout British Columbia and create no hazard to the public at large.

Thus the public is the main beneficiary of the service, but only in a peripheral way, such as when installing gas-fired equipment in their own houses as permitted by the regulations under the *Gas Safety Act*.

Primary clients are those people involved in the manufacture and installation of gas equipment, the distribution of natural gas or LP gases, professional groups requiring expert advice or counsel. These are, namely:

Gas fitters	Gas utilities	Designers
Contractors	Local inspectors	
Engineers	Fire departments	

These groups are represented in the Gas Safety Advisory Committee established in accordance with the act. The committee advises both the minister and the branch pursuant to the authority invested in it by the act.

There is also continuing dialogue and committee involvement with the Canadian Gas Association and other approved testing agencies such as B.C. Research, Underwriters Laboratories, etc.

Municipal inspectors and propane companies both have regular meetings with the branch to discuss and resolve ongoing problems.

Objectives for 1987-88

The major objective for 1987-88 was to maintain the present high standard of safety for the public in B.C., in spite of significant growth in demand for services and a decrease in staff. Numerous administrative and operational efficiencies are proposed to achieve this objective.

The National Propane Gas Code and amendments will be adopted into regulation. Minor housekeeping changes to the *Gas Safety Act* to bring the Act up to date will be processed via a *Miscellaneous Amendments Act*.

Prior to adoption in regulation, a directive will be issued that addresses a new procedure to expedite the approval process for installing propane dispensers. This will result from discussions with local authorities, municipal fire departments, propane companies, and the Gas Safety Branch.

The long vacant codes and standards engineer position will be filled. This position has been difficult to fill due to lack of suitable candidates in this specialized field.

In keeping with the long-term branch objective of becoming 100% cost effective, a fee schedule with increased fees of 7% will be brought into effect.

Accomplishments

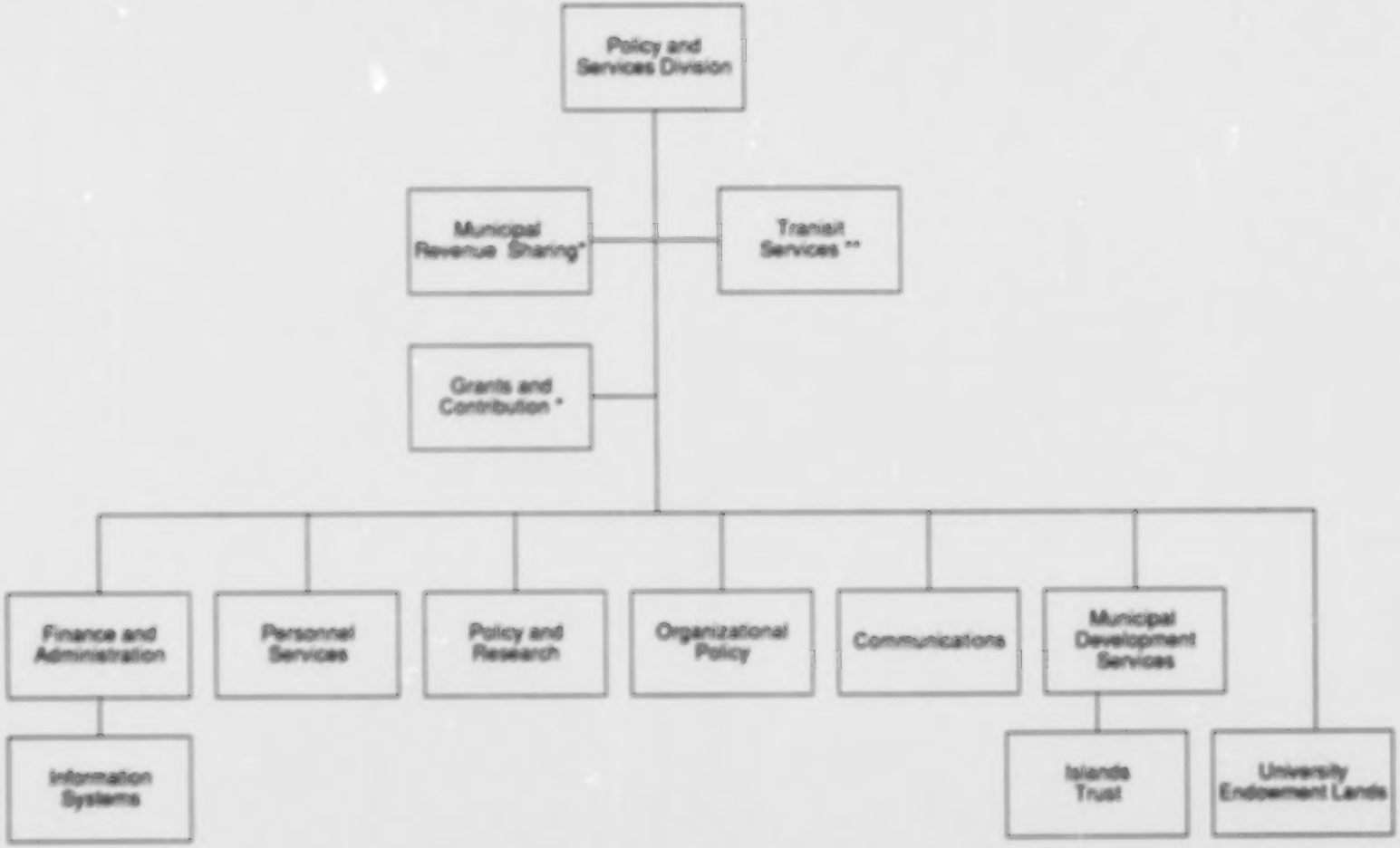
The high standard of efficiency has been maintained in the face of continually increased demand for services and the growing complexity of gas equipment.

Agreement was reached with the apprenticeship branch, local unions and vocational institutes for the installation of a gas fitting apprenticeship course.

A consensus was reached with local authorities, B.C. Fire Chiefs Association and propane companies regarding the siting of propane refuelling facilities.

The turnaround time in regard to sitting gas fitter qualifying examinations and informing the candidate of the results has been reduced dramatically from weeks to minutes by the use of optical scanning computer-assisted examination marking.

Administration & Support Services



* Discussed in the "Year in Review"
** For information on Transit Services, see the Transit Services Annual Report

Policy and Services Division

Total Budget: $ 9,654,166[1]

Budgeted Full-Time Equivalents: 157[1]

The Policy and Services Division is primarily concerned with internal programs and services to the ministry. It is administered by an assistant deputy minister and is divided into three functional groups: Policy and Planning, Central Services and Special Services. A fourth group can be loosely defined as Miscellaneous Services.

The Policy and Planning group focuses on initiating programs and providing support services to all ministry-initiated programs and activities as well as to local government. Unlike the other two groups, this group serves both internal ministry and external local government clients. It is composed of the Policy and Research, Organizational Policy and Development Services Branches.

The Central Services group is responsible for the co-ordination, provision and maintenance of support services for statutory programs including services related to finance, personnel and office administration. They provide the ministry with all the necessary tools to carry out its day-to-day and long-term functions. It is composed of the Finance and Administration, Information Systems, Personnel and Communications Branches.

The Special Services group is responsible for three unique ministry services: the administration of the University Endowment Lands and the Islands Trust and the ministry administrative link to the British Columbia Transit Authority.

The Miscellaneous Services group, which includes the Municipal Revenue Sharing Program, and Grants & Contributions, has been placed under Administration & Support Services. Final responsibility lies with the Policy & Services Division but in reality, these programs are shared by all divisions within the Ministry.

1 Note: Includes budget of the deputy minister, assistant deputy minister and all branches under the division's responsibility (including the University Endowment Lands).

Finance & Administration

Budget: $2,148,521

Budgeted Full-Time Equivalents: 29

Responsibilities

The Finance and Administration Branch is responsible for the co-ordination, provision and maintenance of support services for ministry programs related to finance and office administration. The branch consists of three sections:

- Operations is responsible for disbursement, accounting, payroll, financial reporting and revenue management and control services for all ministry programs. The section also administers the Municipal Revenue Sharing and grants-in-lieu of taxes programs.
- Financial Planning and Analysis is responsible for budget co-ordination, preparation and submission, monitoring and variance analysis, financial planning, forecasting and control and chart of accounts maintenance for all ministry operations, special accounts and special funds.
- Facilities and Services is responsible for the management of ministry facilities including office space, telecommunication services, postal services, asset inventories and other related office services. The section is also responsible for the coordination and management of the ministry's vehicle fleet and purchasing functions.

Other Responsibilities

- ***Home Owner Grant Act***
  The branch is also responsible for the administration of the *Home Owner Grant Act* which includes the provision of interpretations and advice to municipalities, the professions, and the general public. Approximately $283.4 million in Home Owner Grants were processed for payment during the 1987-88 fiscal year.
- **Municipal Commercial Vehicle Licence Program**
  One hundred and twenty-one municipalities participated in the Municipal Commercial Licence Program during the 1987 licence year. Sales of vehicle plates under this program, which is administered by the ministry on behalf of the municipalities, generated approximately $725,000 in revenue which was distributed to participants on a per-capita basis. Effective January 1, 1988, the administration of the program was transferred to the Union of British Columbia Municipalities.

Major Clients

The major clients of the branch are the ministry executive, program managers and staff, general suppliers, municipalities and regional districts, crown corporations and central agencies of the provincial government.

Objectives for 1987-88

The major objective of the branch for 1987-88 was to become more efficient and effective in terms of meeting the needs of its internal and external clients.

The external objective was to ensure that payments to suppliers and municipalities were made accurately and on a timely basis within the policies and procedures of the provincial government and the *Financial Administration Act*.

The internal objective was to ensure that the operational needs of the ministry were met. This included:

- the provision of timely financial reports to assist managers in making expenditure decisions.

- the preparation of the estimates of revenue and expenditure for the general fund and special accounts and funds within the time frames and targets established by the central agencies of the provincial government.
- the timely and accurate processing of payroll and other payments to staff within the policies and procedures of the provincial government and the *Financial Administration Act*.
- the provision of administrative services to ministry programs related to office accommodation, telecommunication, purchasing and vehicle management on an economical and timely basis.
- meeting the financial reporting, monitoring and control requirements of the central agencies of the provincial government.

Major Accomplishments

The addition of five major programs during 1986 had a major impact on the Finance and Administration Branch in terms of its ability to meet the increased demand for financial and administrative services. During fiscal 1987-88, the branch continued the integration of these programs into the financial and administrative structure of the ministry.

Activities

The addition of programs in 1986 significantly altered the nature of the ministry in terms of geographic distribution, number of payment transactions, payroll transactions, revenue transactions and demands on administrative services. The following is a statistical summary of branch activities.

Financial Operations

	Estimated Annual Volume
General Suppliers	25,000
Employee Travel	6,000
Grants	3,500
Payroll	5,000
Revenue	140,000

Financial Planning and Analysis

	Budget 1986-87 Revised	Budget 1987-88
CRF Expenditure:	$413,351,826	$417,792,605
Revenue	$ 8,000,000	$ 700,000
FTEs	448	448

Facilities and Services

	1986-87 Revised	1987-88
Office Locations	2	50
Vehicle Fleet	1	141

Forecasts

The branch will continue its efforts to improve the financial and administrative services provided to ministry programs. This will include the development of supplementary financial systems, standardization of policies and procedures and enhanced reporting.

Information Systems

Budget: $767,326

Budgeted Full-Time Equivalents: 6

Responsibilities

The branch was formed and staffed during the fourth quarter of 1986-87 to provide support and assistance to all areas of the ministry for systems-related activities. In addition to its support role, the section also is responsible for determining and applying systems standards and procedures and to maintain the best use of systems-related technologies.

The branch supports two Hewlett-Packard minicomputers with a total of 61 users (an increase of 13 over the previous year) and has implemented two major applications, the municipal financial system and a correspondence-tracking system.

In addition, the branch has installed eight personal computers and assisted branches with the support and development of desktop applications.

The branch has prepared information and data resource management plans for the future which include the development of document-tracking systems, major enhancements to the Safety Engineering System and a Municipal Financial Information System. It is clear from these plans that the ministry will need to acquire additional computer capacity to meet its requirements during the next 12 to 18 months.

Major Clients

The Information Systems Branch provides services to all areas of the ministry. The degree to which program areas are supported varies with their use of information systems. Major clients are the Safety Engineering Services Headquarters, Municipal Financial Services, Finance and Administration and Personnel Services. The remaining ministry programs receive support as requested.

Objectives for 1987-88

The major objectives for 1987-88 are to integrate the maintenance and support requirements for the new ministry, prepare a strategic plan for the next three years and begin development of systems to be implemented in 1988-89.

Another objective is to implement and make fully operational personnel and electronic mail systems.

Major Accomplishments

The major information systems-related accomplishments include:

- Increase in technical support to integrate the computers in Vancouver and Victoria.
- Preparation of a data resource management plan.
- Implementation of a personnel system.
- Implementation of and training for electronic mail.

Forecasts

We plan an increase in the number of terminals and minicomputers this year and in subsequent years. Currently, the ministry has an average of about one terminal for every four employees. The experience of other ministries who began automation earlier and our own projections expect this ratio to increase to one terminal for every two employees over the next two to three years. This ratio illustrates the increasing role that office

automation and computer-based systems will play in the ministry's development over the next two years.

Personnel Services

Budget: $232,857

Budgeted Full-Time Equivalents: 5

Responsibilities

The Personnel Services Branch assists ministry management in selecting, allocating and maintaining a competent work force and ensuring that necessary controls are in place for effective management of staff within government personnel guidelines.

To carry out this mandate, the branch assists managers and provides advice on all matters relating to recruitment and selection of staff, appraisal systems and labour relations in the workplace, accident prevention, benefit administration, classification of positions, organization design and employee counselling.

The branch administers its responsibilities with a broad framework of policies in a personnel environment featuring a significant level of delegation to ministries. The ministry has been delegated authority to make appointments to the public service under the *Public Service Act* and to classify most positions as well.

Major Clients

The branch serves the general public seeking employment with the ministry, the executive and management of various branches of the ministry seeking assistance and advice on a range of personnel activities, the central Government Personnel Services Division and the employees of the ministry. The branch delivers its program through personal contact by staff with those seeking branch services. Client groups are located in more than 40 locations in the province where the ministry maintains offices.

Objectives for 1987-88

As a result of the fivefold increase in the size of the ministry since August 1986, efforts continued in the areas of developing and improving ministry personnel policies, procedure and systems. The branch continued to work toward the objective of producing reliable, timely personnel and leave management information with distributed access to managers in line programs.

In training, the objective was to ensure general purpose training for both job-specific applications and career enhancement was made available as required on a best-use basis.

Major Accomplishments

For the use of the ministry executive and program managers, automated organization charts were developed to depict program reporting relationships. Work is continuing on producing organization charts depicting position reporting relationships throughout the ministry.

Information continues to be collected on a number of personnel activities. The branch now has a personnel management system operating which facilitates analysis of data in order to study trends as they develop and to generally monitor a variety of personnel activities. Information on a variety of personnel activities is now available to the ministry executive. Steps are being taken to provide for distributed access of most of this information to program managers in the near future. A number of internal measures have also been taken to streamline existing systems, making it easier to obtain information relative to our needs.

Activities

The personnel office kept very busy during 1987-88 managing changes as the ministry

reduced its workforce in accordance with government initiatives. Much of the work consisted of producing detailed projections and alternative scenarios to best manage the changes.

In the last months of the fiscal year, the ministry was preparing to adjust to the loss of many of its most experienced staff through the Early Retirement Incentive Program. The dramatic increase in staff training requests approved during the year (from 42 to 380) was due in large part to the five-fold increase in the size of the ministry.

	1987-88	1986-87
Staffing Actions	65	16
Position Reviews	20	6
Grievances Processed	9	1
Staff Training Requests Approved	380	42
Terminations Processed	90	13

Forecasts

The continuing reduction in staffing levels creates an ongoing need for re-assessment of position and organization structures in order to cope with scarce manpower resources. Staff turnover is expected to be brisk in 1987-88, reflecting more opportunities in the private sector. We expect a heavy year of recruitment and an increasing focus on planning and managing for the future in an environment where resources are more scarce. We also will be putting more resources towards staff training and development to ensure that our human resources are as productive as possible.

Policy And Research

Budget: $452,267

Budgeted Full-Time Equivalents: 8

Responsibilities

The Policy and Research Branch provides policy development services and program services to the ministry. The policy development stream is externally-oriented toward local government. Chief responsibilities include: urban systems policy, legislation, community development policy and research.

The program services stream is internally-oriented toward the ministry itself. The branch's chief responsibilities with respect to program services include program development and evaluation, management information, organizational analysis and program support, (including administrative responsibility for the Board of Examiners established under Section 879 of the *Municipal Act*) and executive support.

Major Clients

Policy and Research can be seen to have a dual clientele. In its function as a central policy unit, the chief client of the branch is the ministry itself. The work of the branch is meant to have a direct impact on ministry programs, operations and organization. In some respects, the branch even fulfils a consulting role in serving particular units within the ministry, Organizational Policy for instance.

The local government system is the second main client of the branch, in the sense that its work is partly designed to improve the legal and fiscal framework within which local governments function. From time to time, particular local government units are direct clients, this stemming from the stated community development role of the branch.

Objectives for 1987-88

The setting of specific, measurable objectives is a difficult undertaking, due to a central policy unit's need to be responsive to unpredictable events. Some elements of the 1987-88 work program responded to the current, unpredictable needs of the branch's clients. Other elements, however, arose in the context of a planned program. Major objectives at the outset of the 1987-88 fiscal year included:

- to contribute effectively to legislative planning and development, including, but not limited to, the development of new regional district legislation;
- to support the government's decentralization initiative through the provision of research and analytical services;
- to contribute to an improved corporate planning process within the ministry;
- to improve productivity in the research sphere.

Events during the course of the year caused a revision in priorities. The most significant event was the government's late-year emphasis on strategic planning within the ministries. Corporate planning thereupon assumed an even more prominent role in the branch work program.

Major Accomplishments

Branch staff provided research support for a continuing review of the legislation governing regional district operations. In addition, staff participated directly in the preparation of concrete legislative proposals. This work represents the first complete examination of Part 24 of the *Municipal Act* since 1965.

A good deal of contact and communication with regional district officials took place on this topic, this resulting from the ministry's commitment to consultative policy develop-

ment. A significant publication ("Proposed Regional District Legislation: A Discussion Paper") containing a complete draft of the proposed new legislation was prepared and released at the UBCM Convention. Subsequently, Regional District Forum '88 was organized, and representatives from almost all regional districts attended to offer views on the proposed legislation.

Consultation was also central to the branch's role in the decentralization initiative launched by the Premier's Conference on Decentralization in January 1987. Resulting from the conference was the Provincial-Municipal Committee on Decentralization (PMCD), in which branch staff played a key supporting role throughout the year. A series of progress reports was issued on the various issues under examination. In June, the PMCD met in Victoria to receive briefings from many ministries involved in the decentralization process.

Corporate planning took on new prominence during the year. As a result of the significant expansion of the ministry's role in 1986, most significantly in the safety sphere, and the government's late-year emphasis on strategic planning, corporate planning became a critical function within the ministry and the branch. Most activity was concentrated in the latter part of the fiscal year, when the branch contributed to the design of a strategic planning process and began to co-ordinate the preparation of a ministry strategic plan. At year's end this work was still in progress.

Improved productivity in the research sphere was an important objective. On the community development side, a contribution was made to at least three noteworthy projects:

- a study of "resort communities" in the province, most particularly Whistler, from a fiscal and developmental perspective ("Resort Municipality Financing Study");
- an examination of provincial objectives in establishing boundaries for local government jurisdictions;
- sponsorship of a study of seniors in small-town British Columbia, a project undertaken in conjunction with the Centre for Human Settlements at the University of British Columbia.

In addition to community development research, other notable research projects were undertaken. The branch:

- compiled and published a volume entitled "A Catalogue of Local Government Computers and Applications in British Columbia";
- sponsored the development of a bibliography of local government in British Columbia, with the intent of publication; and
- initiated work aimed at developing the most complete and comprehensive index of local government legislation available from any source.

The purpose of these projects was to establish platforms - an information base in other words - for the efficient conduct of research activities.

The branch continued to be responsible for the administration of a number of programs. Most importantly, calculation of the distribution of the Part 1 basic and Part 8 unconditional grants under the Revenue Sharing Program was once again completed. Procedures for calculating the grants, including software, were improved significantly this year for added productivity. Responsibility for developing a new format for the ministry's annual report, as well as co-ordinating contributions to it, also fell to the branch. At year-end, a draft of the reformatted and expanded annual report for the 1986-87 fiscal year was completed. The branch continued during the year to be responsible for day-to-day administration in support of the Board of Examiners (the Board reports separately in this volume).

Activities

The nature of the work of the branch is evolving. Previously, the branch concentrated its efforts on relatively large, or long range, activities, which were naturally few in number. During this period, the emphasis switched to work with a greater procedural component, that is work involving significant amounts of consultation, process administration and so forth. As a result, specific activity measures have become less relevant. In terms of resource commitments, records show that, in addition to normal branch management and staff supervision overhead, the most significant staff activities related to:

- the development and administration of a formal legislation plan for the ministry;
- development of specific legislation including, but not limited to, the regional district discussion paper and its draft legislation;
- staff support to the PMCD; other policy and research projects referred to in the previous section.

Supplementary staff resources were obtained through the use of co-operative education students during the year. Students were available for three four-month work terms.

Forecasts

The branch's operating plan for the succeeding year should result in significant resources being devoted to:

- legislative planning and development, including, but not limited to, the development of new regional district legislation;
- corporate planning, including the drafting of a ministry strategic plan;
- policy analysis in the local government finance sphere;
- further development of research tools such as the index to local government legislation that, at year's end, was in progress.

The effects of staff instability are expected to have a major influence on branch productivity in the coming year. Staff training will continue to be a high priority, as will productivity enhancement through computer automation.

Organizational Policy

Budget: $96,199

Budgeted Full-Time Equivalents: 2

Responsibilities

The Organizational Policy Branch was created in November, 1986 to oversee the ministry's local government structure program. Its purpose is to facilitate the process of local government structure change to ensure that these structures are commensurate with the levels of settlement development and community services and with provincial and local objectives.

Structure change can include incorporation of new municipalities or regional districts, amalgamation of existing municipalities and radical restructuring of municipal or regional district boundaries. The program is central to the mandate of the ministry and is a provincial priority. The primary program focus is facilitation: the provision of advice, education and restructure grants to assist local governments or communities to deal efficiently and effectively with the structure change.

However, direct ministry intervention is often required for particularly complex, visible and important restructure problems which cannot be resolved locally. Moreover, in these situations, direct ministry involvement is desirable because it provides practical experience and learning to contribute to an ongoing process of restructure policy and program development.

Major Clients

The main clients of the branch are local governments (municipalities, regional districts and improvement districts involved in structure change), local residents and restructure committees (requesting general information on restructure options) and private sector consultants (engaged in restructure studies). Other branches of the ministry are also significant clients, especially Policy and Research, Administrative Services, Engineering, Development Services and Municipal Financial Services, in particular the Improvement Districts Section. Client ministries include Transportation and Highways, the Solicitor-General, Finance and Corporate Relations and Native Affairs.

Objectives for 1987-88

The aim of the branch is to facilitate local government restructure to meet the needs of local governments, the general public and the Province. Consequently, branch objectives can be grouped into external and internal categories. Externally, they are as follows:

- assist local communities with incorporation, amalgamation and boundary extension proposals;
- co-ordinate relations with other ministries having restructure responsibilities so as to achieve a collaborative approach to local government structure;
- direct grants and other resources to appropriate restructure projects; and,
- to educate the public regarding local government restructure.

Internally, branch objectives are as follows:

- improve the quality of decision-making on restructures through effective analysis and reporting on restructure problems;
- provide regular reports on restructure activity; and,
- contribute to the development of ministry policy.

Major Accomplishments

The branch obtained a senior planning officer in January 1988, which allowed a substantially increased field presence and provided local governments and restructure committees with enhanced advice and assistance. A marked increase in the quality of restructure studies has been noted. Areas requiring Ministry policy direction are being identified and addressed.

A review of the provincial local government restructure program was undertaken with the view of enhancing provincial involvement in facilitating restructure. Discussions were initiated with relevant provincial agencies. The branch commissioned a review of provincial restructure objectives and sponsored a seminar on the topic with local government scholars.

For ministry personnel, the branch initiated monthly reports to advise the executive and branches of restructure activity. A consultant was engaged to develop a host-based Restructure Management Information System. The director was involved in initiating a strategic plan for the ministry and the branch continued to assist the Policy and Research Branch with revisions to regional district legislation, particularly in the rural services area.

Activities

Branch project activity increased during the year due to an enhanced field presence. At year-end, five preliminary incorporation studies and 10 preliminary studies of municipal boundary adjustments were underway. Four incorporation studies, three boundary reviews, two examinations of regional district structures and two studies of amalgamations were active.

In terms of implementation, residents of the Anmore area voted in favour of incorporation as a village municipality. Incorporation as a village took place on December 7, 1987. In a related boundary adjustment, the boundaries of the City of Port Moody were extended to enclose the Esso Petroleum refinery.

In October of 1987, residents of Langford rejected incorporation as a district municipality. The restructuring of the Peace River-Liard Regional District to create a Peace River and a Fort Nelson-Liard Regional District was completed with an effective date of October 31, 1987. This represented the first major change to the structure of regional districts since their inception in the late 1960s.

The branch assisted in the implementation of self-governance for the Sechelt Indian Band. In particular, the branch assisted in fulfilling provincial obligations to provide the Sechelt Indian Government District with the benefits of Revenue Sharing and the Home Owner Grant.

Discussions were initiated to enable the City and District of Langley to leave the Central Fraser Valley Regional District and become members of the Greater Vancouver Regional District. The Ministry initiated and completed local government structure evaluation for the Quinsam Heights area of Campbell River.

A review of the implications of the South Moresby Park for the structure of the Skeena-Queen Charlotte Regional District was initiated. Staff assisted the select committee of the legislature reviewing the Islands Trust. A review of problems relating to the inclusion of Indian reserves within municipalities was undertaken. A report on amalgamation of local governments in the Comox Valley, initiated in 1986/87 was completed.

Totals - Restructure Program Activity April 1, 1987 to March 31, 1988

Incorporation (i)	14
Boundary extension (b)	15
Amalgamation (a)	2
Ministry-initiated restructure review (mr)	3
Regional district restructure (rd)	3
Boundary reduction (br)	1
Other (o)	1
TOTAL	39

Project	Stage One Prelimin. Study	Stage Two Implement. Study	Stage Three Legal Implement.	Stage Four Restructure Assistance
1. Fort Nelson-Liard			rd	
2. Port Moody/Ioco			b	
3. Port Moody/Sunnyside	b			
4. Langford				i
5. View Royal		i/a		
6. Lantzville	i			
7. Campbell R./Water Bird			o	
8. Campbell R./Quinsam		mr		
9. Comox Valley		mr		
10. Woss		i		
11. Cowichan Valley	b			
12. Ganges	i			
13. Terrace/Thornhill		i/a		
14. Hazelton/Two Mile	b			
15. Hazelton/Glenmuass		br		
16. Houston	b			
17. Oliver/SOLID		b		
18. Osoyoos/SOLID		b		
19. Abbotsford/Hemmingdon			b	
20. Kamloops				a
21. Kelowna				a
22. Gibsons	b			
23. Metchosin				i
24. Metchosin/Happy Val.	b			
25. Anmore			i	
26. Colwood				i
27. Sechelt I.G. District		i		
28. Sechelt				i
29. Sicamous		i		
30. Sointula	i			
31. Clearwater		i		
32. Sandspit	i			
33. Queen Charlottes		mr		
34. Langley/GVRD		rd		
35. Lillooet	b			
36. Vernon		rd		
37. 100 Mile House	b			
38. Logan Lake	b			
39. Chetwynd	b			
40. Okanagan Falls	i			
41. Bowen Island		i		
42. Port Clements	b			
Totals	16	15	5	6

Forecasts

The provincial budget for 1987-88 signalled the province's intention to increase its level of cost-recovery in rural areas. This involves an increase in the *Taxation (Rural Area) Act* levy from $1.40 to $1.70 (effective 1988) and thence from $1.70 to $2.30 (effective 1989).

In addition, the budget indicated an increase in the minimum property tax payable from $200 to $350, effective 1987. Continuing adjustments in provincial rural tax rates will encourage rural communities to consider the advantages of local government and increase the demand for the branch's services.

With current economic conditions, the related desire for economic development, and the reality of fiscal restraints, it is expected that the branch will continue to play a vital role in improving the effectiveness of local government structures.

Communications

Budget: $113,970

Full Time Equivalents: 2

The Communications Branch advises and assists the minister, ministry executive and management team on matters related to public affairs. The branch informs and influences public, media and client groups on ministry policies and programs. An ancillary function of the Communications Branch is to administer the Provincial-Municipal Partnership Program. This program provides assistance to municipalities with regard to tax relief for new industry, economic development strategies and promotion.

The main objective of the branch is to improve widespread awareness and understanding of the ministry's purpose and its function. This is done through the planned execution of news releases, events, announcements, and the use of assorted media.

The branch is responsible for creating, administering and coordinating quality print, spoken and audio visual material. By providing fluent interpretations of ministry activities and programs the branch helps ensure positive media, public and client relations.

The branch provided editorial and production management services for audio visual presentations. Numerous speeches, news releases, publications, briefing and background materials were produced, and ongoing advice and assistance were proffered to branch directors on communications and public relations matters.

Provincial-Municipal Partnership Program

The Provincial-Municipal Partnership Program is based on the principal that provincial economic renewal will possess no long-term stability unless it is firmly rooted in the province's communities and is, at least in part, a product of their own initiative. It is designed to foster a municipal contribution to local job creation without the direct application of subsidies or the erosion of municipal tax bases. It operates in three basic areas:

1. TAX INCENTIVES FOR NEW AND EXPANDING INDUSTRY: 50 to 100 per cent relief from municipal property taxes matched by a 50 per cent reduction in provincial non-residential school taxes for class 5 industry.
2. ECONOMIC DEVELOPMENT TOOLS FOR LOCAL GOVERNMENT: including funding for economic development strategies, officers and committees; promotional material; studies, data banks, trade mission participation, etc. in close consultation with the Ministry of Economic Development's Community Economic Development Branch.
3. EDUCATION FOR LOCAL GOVERNMENT IN ECONOMIC DEVELOPMENT: the comprehensive development planning demonstration project and economic development seminars for local officials.

An important aspect of the program allows local governments to offer property tax relief to new or expanding industry. The application of tax relief is automatic once the agreement has been signed.

Planning, promotion and direct pursuit of investment are essential for the local government to act as an agent of economic development. The community's *economic development strategy* is 50 per cent funded by the ministry and is the first step in mobilizing toward self-directed economic development. Once the strategy is completed it acts as a game plan to guide the active pursuit of investment by the community. It should specify areas of economic potential, aspects of the community which need improvement if new

investment is to be attracted and outline a program of pursuit. This strategy-making process should also serve as a catalyst to spark community involvement.

The program also offers funding and assistance to the community in publishing promotional brochures aimed at investment audiences.

Municipal Development Services

Budget: $867,117

Budgeted Full-Time Equivalents: 18

Responsibilities

The branch provides advisory and supervisory services, financial assistance and legislation for local government planning and development. It deals primarily with Parts 29 and 21 of the *Municipal Act*, *Islands Trust Act*, Section 11.2 of the *Resort Municipality of Whistler Act* and flood-proofing provisions (Section 187) of the *Municipalities Enabling and Validating Act*. Planning grants are provided from *Revenue Sharing Act* funds.

Major Clients

Professional planning advice and technical assistance is provided to:

- local government staff and elected officials;
- Municipal Affairs' staff, ministry executive and from time to time the Minister of Municipal Affairs and MLAs;
- the Islands Trust and its Advisory Planning Commissions[1];
- senior professional and management staff in other ministries;
- individuals, groups and associations interested in or involved with matters pertaining to planning and development — e.g. the Canadian Homebuilders Association and Union of British Columbia Municipalities;
- resource development companies and their consultants.

Objectives

The general objectives of the branch include:

- the promotion of the efficient and effective management of community development and the ongoing consideration of provincial interests in local government decision-making;
- the development and promotion of a more comprehensive and cost-conscious approach to community planning, servicing and management of growth;
- the improvement of legislation, regulations and operating procedures to facilitate and manage growth and economic development; and
- co-ordination of policies and programs of local government and the Ministry of Municipal Affairs with those of other ministries and the private sector with respect to major development projects.

Major Accomplishments & Activities

Local government support

In 1987-88, the branch continued to provide support and direction to local governments regarding the implementation of Bill 62, the *Municipal Amendment Act 1985*. This legislation made major changes to local government planning and development control. In May, 1987 Bill 30, the *Municipal Amendment Act 1987* was enacted to further facilitate Bill 62 by providing greater clarity, speeding up the approvals process and by correcting

1 Refer to Islands Trust section of Annual Report for description of services performed by Development Services Branch Staff in support of the Islands Trust Program.

technical errors and omissions. In addition, a comprehensive section on local government liability was added.

A major focus of the branch during 1987-88 was the Comprehensive Development Planning program. This program, funded through planning grants, encourages local governments to examine the fiscal implications of various planning, land-use and servicing decisions. Branch planners participated in steering committees with local governments to develop appropriate terms of reference, hire consultants and supervise the projects to successful completion. In all, planners were involved in 12 such projects.

The branch continued to give high priority to increasing contact with local government clients, especially with smaller municipalities. Planners held planning update meetings with local government staff and interested elected officials of each local government on a regular basis throughout the year.

As a result of the success of the first planning workshop in 1987, the second annual planning workshop for regional district planning directors was held in November, 1988. The workshop allows branch planners and regional district planning directors to discuss matters of common concern in an informal setting. Regional district planners were canvassed to determine what special items of interest should be covered and staff from other ministries were invited to participate. The workshop dealt with a variety of planning matters and also provided a forum for regional district planners to share problems and solutions to current issues in their regions.

Plans and bylaws

The branch receives and processes official community plans and regulatory bylaws from regional districts and recommends on their approval, alteration or rejection. The branch also advises the Inspector of Municipalities on official community plans and implementing bylaws submitted by villages for registration.

During 1987-88, 521 "land use" plans and bylaws were approved by the minister or registered by the Inspector:

	1987-88	1986-87	1985-86	1984
Lower Mainland local government Floodplain development	95	90	142	221
Regional Districts	229	256	285	382
Islands Trust	47	49	44	60
Resort Municipality of Whistler	20	12	19	26
Villages	130	110	118	79
TOTALS	521	517	608	768

The number of bylaws approved changed little from the previous year. Regional district bylaws approved continue to decline as more official community plans are adopted, resulting in fewer regulatory bylaws requiring the minister's approval. The number of village bylaws reviewed by the branch has been growing steadily as a result of increased planning activity in these smaller communities.

In addition to those requiring ministerial approval, most regional district and many municipal regulatory bylaws are reviewed by the branch and provincial ministries to ensure that provincial government interests are not adversely affected by their enactment. A simple referral system is used. This has proven to be a very cost-effective approach to keeping regional districts apprised of extensive "provincial interests" in the rural areas of British Columbia.

Planning grants

Planning grants provided under the *Revenue Sharing Act* assist local governments with their planning programs. Up-to-date plans and efficient approval systems help attract and facilitate development as well as guide public expenditure on services. By focusing the planning grant program on specific types of projects provincial government objectives for community and rural planning can be achieved.

In 1987-88, the planning grant program focused on comprehensive development planning programs, hazard land management projects, and municipal maintenance programs, in addition to updating official community plans and land use bylaws.

Planning Grant Summary 1985 - 1987

	1988	1987	1986	1985
Cities	$ 236,000	$ 432,430	$ 281,950	$ 215,250
Districts	$ 290,750	596,620	448,081	295,350
Towns	$ 42,500	92,100	32,000	24,650
Villages	$ 117,550	299,844	99,264	100,500
Sub total	**$ 686,800**	**1,420,994**	**861,295**	**635,750**
Regional Districts	$ 506,443	554,100	571,398	220,300
Grand Total	**$ 1,193,243**	**1,975,094**	**1,432,693**	**856,050**

Resource Development Project Review

The objective of the branch and ministry review of major resource development projects is to ensure that land and critical community services required by a project and its work force are provided in an expeditious and cost effective manner.

During 1987-88, the volume of projects reviewed continued to be higher than earlier years, but as in 1986-87 the projects were mainly small metal mines with impacts that could easily be accommodated under normal local and provincial government service programs.

Forecasts

During the 1987-88 fiscal year, work began on further technical amendments to Part 29 of the *Municipal Act*. Two years' experience with the new requirements of Part 29 have given the branch and local governments adequate time to test the effectiveness of the changes to planning legislation brought about in late 1985 by Bill 62.

Demand for planning grants will continue to be high and greater emphasis is expected in the areas of comprehensive development planning and planning for maintenance and upgrading of municipal infrastructure.

Other programs of the branch will continue with continuing emphasis placed on direct communication with our major client group - local governments.

Islands Trust

Budget: $162,000

Budgeted Full-Time Equivalents: 0

Responsibilities

The Islands Trust was established by the *Islands Trust Act* in 1974, following an all-party special committee review of the unusual problems facing the islands and waters between the British Columbia mainland and the southern half of Vancouver Island.

The Act states that the object of the Trust is "... to preserve and protect, in co-operation with municipalities and the government of the province, the Trust area and its unique amenities and environment for the benefit of the residents of the Trust area and of the Province generally."

This special mandate recognizes that development pressures arising from proximity to the province's major urban centres were damaging the very amenities and features which make the islands so attractive.

The Islands Trust carries out its responsibilities by three means:

1. Within the Trust area, it has the community planning and land use regulation authority of a regional district. The Trust, however, is not responsible for building and health inspection, or other non land-use related services.
2. The Trust is also required to advise the Lieutenant Governor in Council with respect to its mandate and to work with other agencies.
3. Recently, sections of the act were proclaimed which permit the Islands Trust to hold land and funds.

Three trustees make up a general trust committee for the entire Islands Trust area (some 5,000 square kilometres, including approximately 500 islands) which considers land-use planning and general policy matters affecting more than one designated group of islands, the Trust area as a whole, or islands not in a designated group.

These trustees are also members of each five-member local trust committee. The general trustees are elected from among the 26 local trustees, one as chairman and the other two as vice- chairmen.

There is a local trust committee for each of 13 groups of designated islands. The main island of each of the 13 groups is listed below with the bracketed number indicating the number of associated islands.

Bowen (5)
Denman (5)
Gabriola (18)
Galiano (10)
Saltspring (28)
Hornby (2)
Lasqueti (24)
Mayne (2)
North Pender (26)
Saturna (12)
South Pender (2)
Thetis (15)
Gambier (24)

Each designated island group elects two local trustees, who serve two-year terms. They serve as two members of the five-member local trust committee for that island group. The local trust committee is responsible for all local planning, e.g., zoning, community plans and local policy. Each trust committee is advised on planning matters by an advisory planning commission.

All 26 trustees meet to consider a wider range of subjects at an informal two-day meeting known as the Trust Council, held quarterly.

Staff of the Development Services Branch of the Ministry of Municipal Affairs are assigned to carry out the program for the Islands Trust and provide administrative support to the Trust office in Victoria.

Major Clients

The clients of the Islands Trust are specified by the act, which states that the Trust is to "preserve and protect" the Trust area "for the benefit of the residents of the Trust area and the province generally." It is a reflection of the dual clientele of the Trust that its operations are funded from both taxation of island property owners and provincial general revenues.

The total costs of the Islands Trust operation are difficult to determine, in that many operating expenses are shared with the ministry generally. During the 1987-88 fiscal year, the estimated cost of the Islands Trust operation was approximately $450,000, with $160,000 of this going to support the remuneration and travel expenses of trustees and the costs of their meetings, and the remaining $290,000 going to staff and office costs. These costs are part of the Development Services Branch budget. Of the attributable costs, approximately $195,000 was raised through local taxation.

Objectives for 1987-88

General Affairs

In the 1987-88 fiscal year, objectives of the Islands Trust include:

- to carry on with the program developing model bylaws and preparing and publishing position papers on various issues for the approval of Trust Council. The models and papers provide technical and legal resources for local trust committees, and recommend approaches to various issues, but do not represent the policies of any local trust committee. (The Act provides that each local trust committee has the sole authority to develop land use regulations for its area);
- to improve public awareness of the Islands Trust and the Trust Object.

Local Affairs

One aim of local trust committees is to guide land use and development within so that it is consistent with and supports the legislated object of the Islands Trust, while providing for the maximum possible input from residents and property owners on these matters.

A second aim of the committees in local affairs is to ensure expeditious approval for appropriate development on the islands.

Major Accomplishments and Activities

General Affairs

As part of its model bylaw and position paper program, the Islands Trust initiated work on implementation on three islands of a model land-use bylaw prepared during the 1986-87 fiscal year. It includes zoning, parking, screening, signs and subdivision regulations in one bylaw. It is hoped that it will provide a useful resource for local trust committees to improve the over-all quality of their regulatory bylaws.

Two areas of mutual interest with other agencies were pursued. The Trust participated with the Ministry of Transportation and Highways to identify appropriate road standards for island needs. The Trust also participated in a study initiated by the Lands Branch of the Ministry of Forests and Lands on areas appropriate and inappropriate for salmon farms in the Trust area. The Islands Trust also issued a position paper on *The Planning and Regulation of Aquaculture in the Islands Trust Area.*

Monitoring of the new bylaw enforcement procedure continued in 1987, leading to the approval of amendments to the procedure by the Trust Council during their September meeting.

During the 1987-88 fiscal year the Select Standing Committee of the Legislature on

Economic Development, Transportation and Municipal Affairs conducted a bi-partisan review of the *Islands Trust Act*. It conducted public meetings on some of the islands and in Vancouver and Victoria and received hundreds of written submissions from the public. The Islands Trust and individual elected local trustees made submissions. The Committee's report was presented to the Legislature in December 1987. Included among the recommendations were:

- reorganize the Trust Area under the *Islands Trust Act* on a regional district format;
- maintain the object (mandate) of the Trust as presently defined;
- create a trust area Regional Community Plan.

The Trust Council submitted a written response to the recommendations of the Standing Committee to the Minister of Municipal Affairs. Council did not support the proposed regional district format, but did agree with many of the remaining recommendations. At the close of the 1987-1988 fiscal year, the Minister was still considering the committee's recommendations.

Local Affairs

The following table outlines the level of activity related to the plans and plan implementation in the Trust area undertaken by the local trust committee in 1987-88.

	1985-86	1986-87	1987-88
Local Trust Committee Meetings	39	36	89
General Trust Committee Meetings	14	12	14
Bylaws Adopted	48	75	66
Bylaws in Process at Year End	49	59	31
Public Hearings Held	24	27	30
Subdivision Approval Applications Reviewed	91	91	97
Crown Lease Application Reviews	57	72	90
ALR Dev't Application Reviews	19	21	20
Dev't Permit Applications	30	19	23
Board of Variance Applications	31	34	31
Development Variance Applications	4	19	19
Temporary Commercial and Industrial Use Permit Applications		1	8
Rezoning Applications Received		27	49
Bylaw Enforcement Complaint Investigations		22	22

Forecasts

A continuing priority for the Trust will be to develop, in consultation with the Ministry of Municipal Affairs, goals, policies and procedures to guide the use of the sections of the *Islands Trust Act* dealing with the holding of land and funds.

Work on implementing the draft model land-use bylaw and completion of position papers for Trust Council approval will continue to be a focus of activity.

University Endowment Lands

Budget: $3,202,778

Budgeted Full-time Equivalents: 85

Responsibilities

The mandate of the University Endowment Lands is to administer the subdivided area of the University Endowment Lands (UEL) and provide local government services to the residents, who pay for these services through local taxes and user fees. Authority for this administration is set out in the *University Endowment Lands Act* and Regulations.

The UEL provides fire protection, fire prevention, first-response medical and rescue services to the residents of the University Endowment Lands and to the University of British Columbia.

Major Clients

The UEL also provides municipal programs for residents, architects, builders and property owners. They include plan-checking, building and plumbing permits, inspections, maintenance of all utilities, maintenance of roads, sidewalks and landscaped areas.

The UEL Fire Department provides fire protection, fire prevention, basic medical response, response to hazardous material spills and other emergencies within the UEL and the UBC campus. The area protected has a real value in excess of $1.6 billion and has over 6.5 million square feet of developed buildings and a peak population of 42,000 people. Response is based on minimum National Fire Protection standards of two engine companies, one aerial ladder company and an on-call command officer. The department responds to approximately 1,000 emergency calls per year, which include inhalator, fire, special service and false alarms.

Objectives for 1987/88

- To complete a community plan and development regulations for the University Endowment Lands that reflect the residents' desire to maintain close control over redevelopment of properties and to encourage development of the commercial and multi-family areas.
- Continuing to involve the community in fire prevention programs, including the GVRD "Fire Fair," the B.C. "Plan to Get Out Alive" and local programs involving demonstrations and lectures and firehall tours.
- To design and implement a computerized water and garbage invoicing system.
- Replacement of a 1972, 840 g.p.m. engine with a new 1988 Mach 1250 g.p.m. engine, and with the new equipment, review all operational procedures and the University Endowment Lands Fire Department Fire Command System.
- To continue to represent ministry interests and improve public relations within the residential community and in particular with the University Endowment Lands Ratepayers Association.

Major accomplishments

- Five senior members of the fire department retired on March 31, 1988; at the same time the structure was re-organized a new Mach 1250 engine was placed in service.
- Training staff members to replace retirees and recruiting and training personnel to replace the firefighters who went to other municipal fire departments became the major focus for 1988.
- UBC continued its program of retrofitting target hazards with sprinklers, sprinklering the main library, the psychiatric hospital and one of the residence

high rises, in addition, all new construction on the UBC campus in 1988 was also sprinklered.

- All portions of the infrastructure of the University Endowment Lands were studied and a comprehensive five-year plan was prepared. It details all areas where repair or upgrading of utilities or streets is needed and details a five-year capital maintenance budget.
- This capital maintenance plan will be used to upgrade existing services within the University Endowment Lands over the next five years.
- All streetlights in the residential area were replaced. This project was completed in co-operation with the Ratepayers Association which assisted with the design and selection of suitable ornamental fixtures.

Forecasts

- In December 1988 the premier announced that the ministry would work with the GVRD to determine the best model of local government for the UEL. The minister has recently made available to local residents a restructuring grant to be used to evaluate all local government options. The study will commence in the spring of 1989.
- Upgrading the hazardous materials response, development of effective pre-fire plans and building safety plans and the completion of a major emergency plan for UBC and the UEL are the major objectives for the fire department in 1989.
- In July, the fire department will have the opportunity to test their new command system and their new staff members in a series of live fire exercises when the daycare centres move to their new quarters.
- Agreement on cost-sharing with UBC on an amalgamation of dispatch services was completed in 1988 and we hope to have UBC staff dispatching the fire department in 1989.
- The community plan and development regulations, when approved, will allow the community to participate in the redevelopment of the commercial and multi-family areas. This plan will also encourage the redevelopment of these areas.
- BC Transit's trolley bus installation along University Boulevard will allow us to complete our streetlighting program in 1989. Work has commenced on the first phase of a five-year plan to upgrade the UEL infrastructure.

Appendices

Appendix 1
Local Government in British Columbia: A Description of the Ministry's Local Government Clientele

British Columbia's local government structure consists of incorporated municipalities (cities, towns, villages and districts), regional districts, improvement districts and special purpose districts such as school districts and regional hospital districts. The Ministry of Municipal Affairs is responsible for legislation pertaining only to municipalities, regional districts and improvement districts. School districts are incorporated under the *School Act* and regional hospital districts are incorporated under the *Hospital District Act*.

About 0.5 per cent of the total area containing over 84 per cent of the population of British Columbia is incorporated municipally into cities, district municipalities, towns and villages. As of March 31, 1988, there were 38 cities, 48 district municipalities, 12 towns and 48 villages. Regional districts are a different form of local government and are organized to cover nearly the entire province. There were 29 regional districts throughout the province as of the date of record with only one area, the isolated northwest corner bordering the Alaska panhandle, not within a regional district. There are also 328 improvement districts throughout the province. In addition, there are 75 school districts and 29 regional hospital districts in the province.

Local Government Organization

Municipalities, regional districts and improvement districts have unique organizational characteristics. The structure of each is outlined below.

Municipalities

Under the *Municipal Act* the Lieutenant-Governor in Council can, upon the recommendation of the Minister of Municipal Affairs, incorporate the residents of any area into a municipality by letters patent. If the population of an area does not exceed 2,500 the area is incorporated as a village, if the population exceeds 2,500 but not 5,000 it is incorporated as a town and if the population exceeds 5,000 it is incorporated as a city. If the local area which is to be incorporated as a municipality exceeds 800 hectares and has an average population density of less than five persons per hectare, the area is incorporated as a district municipality (Section 20). In practice, these rules are treated as guidelines rather than as rigid requirements.

The City of Vancouver, the Resort Municipality of Whistler and the Islands Trust are incorporated under their own acts. Whistler, the Islands Trust and the City of Vancouver are all incorporated separately in recognition of their special planning, development and management needs. The University Endowment Lands are managed by the province under the *University Endowment Land Act*.

Council is the governing body of the municipal corporation and the custodian of its powers, both legislative and administrative. It is a continuing body, notwithstanding changes in membership by election or appointment (Section 214). Council develops policies, adopts bylaws or resolutions based on these policies and then ensures that they are executed by the administration.

The council is composed of a mayor and aldermen that are directly elected by the electors at large. The *Municipal Act* sets down general rules for council size (Section 208). A city or district municipality having a population of more than 50,000 shall have a council consisting of a mayor and eight aldermen. A quorum would be established with five members. The council of any other city or district municipality shall consist of a mayor and six aldermen. A quorum would be four members. The council of a town or village

shall consist of a mayor and four aldermen, with a quorum established with three members. The term of office for both mayor and council is three years.

The mayor is the head of council, the presiding officer at council meetings and the chief executive officer. Municipalities have a choice of administrative structure. They have the option of appointing a municipal manager or appointing an administrator. Most municipalities use the council administrator form of government as council appoints the administrator and also has the ability to prescribe his/her powers, duties and responsibilities subject to the *Municipal Act*. In addition to the municipal manager or administrator, municipalities appoint a treasurer and a clerk. Both the clerk and treasurer have duties and powers prescribed by council in addition to powers, duties and responsibilities as set out in the *Municipal Act*.

The *Municipal Act* delegates power to incorporated municipalities over almost every aspect of local affairs. An important function of municipalities is to levy and collect real property taxes. They also collect taxes for other structures of local government, such as regional districts, some improvement districts, school districts and other special purpose bodies. In addition to their taxation power, municipalities have the power to pass bylaws concerning a wide range of matters, which are summarized in Figure 1.

Figure 1. Municipal Functions

SERVICE CATEGORY	SERVICES PROVIDED
General Government Services	– legislative – general administration
Protective Services	– policing (for municipalities with a population 5,000+) – fire protection and control – building inspection – emergency measures (shared with province)
Transportation Services	– roads, sidewalks, storm sewers – drainage ditches – snow and ice removal
Environmental Health	– garbage and waste collection and disposal
Public Health and Welfare (welfare services provided by province)	– public health
Environmental Development Services	– community planning and development – land use control, zoning
Recreation and Cultural Services	– parks and playgrounds – recreation facilities – community services
Fiscal Services	– debt charges – transfers to own accounts – unconditional and conditional transfers to other government and agencies
Utilities	– water, sewer

Note: In addition to the statutory powers listed above, and which are granted outright, municipalities have powers which can be exercised with the permission of the minister. These include electrical distribution, telephone services and transit services.

Regional Districts

In 1965, legislation was introduced which created regional districts and therefore made it possible to provide both upper-tier services (such as sewage and water treatment) to built-up areas and lower-tier services (such as parks and recreation) to rural areas. Over the next three years 28 regional districts were incorporated, covering the greater portion of the province. The 29th regional district was incorporated in October, 1987. Municipalities, while being made members of regional districts, maintained their existing local government structure. Non- municipal areas within a regional district are divided into electoral areas.

Each district is governed by a regional board of directors. The board is composed of directors that are directly elected in the electoral areas, and directors appointed by councils from members of council, of the member municipalities. Electoral area directors are

elected for three years and municipal representatives are appointed annually by the councils.

A chairman is elected annually from among the members of the regional board and is the chief executive officer. In addition to the chairman, a secretary and a treasurer are appointed by the regional board. The secretary functions as would the clerk for a municipality and the treasurer functions as would the treasurer of a municipality. Also, a regional district board may appoint an administrator if deemed necessary.

The service powers of a regional district are set by provincial statutes or may be acquired by letters patent issued at provincial discretion. The regional board may also provide a service on a limited basis through a specified area bylaw initiated by the regional board. Each service of a regional district has a separate and distinct boundary for regulation and cost recovery purposes. The area in which a service may be performed ranges from a portion of an electoral area to the entire region, with or without the member municipalities. Regional districts are a shell under which a collection of quite different services is provided, each with a separate boundary but all managed by a common board.

Regional districts provide services and land-use regulation to unincorporated areas (optional), services to municipalities and unincorporated areas that are best done jointly (optional) and access to the borrowing power of the Municipal Finance Authority (statutory). A comprehensive list of optional regional district functions and services is found in Figure 2.

Figure 2. Regional District Functions and Services

SERVICE CATEGORY
LOCAL SERVICES
Recreation & Libraries
Fire Protection & Regulation
Street Lighting
Solid Waste Disposal
Water Supply & Distribution
Parks
Sewage Collection & Disposal
Cemeteries
EXTENDED SERVICES
Nuisance Control*
Animal & Dog Control
Building Numbering
Soil Removal/Deposit Regulation
Emergency Programs
ADDITIONAL SERVICES
Economic Development Commissions
Housing: Land Banking, Subdivision Development
Flood Control, Dyking, Drainage
Other

*Includes firearms regulation, noise control, weed control, fireworks regulation, unsightly premises, etc.

Powers of regional boards vary between regions. In this way the needs of the people in each region can be reflected and the regional districts can evolve function by function to suit the particular region. Although there are some statutory functions which the

regional districts must perform, the region itself and its component members basically determine what the functions and services of the district are to be. This ensures co-ordination between the various parts of the regional district. Any member area of the regional district may or may not participate in any given function at its own option, and costs for a function are shared only by those who are participating.

Improvement Districts

Improvement districts are incorporated under the *Municipal Act* primarily to provide rural residents with a vehicle for supplying specific services to themselves and recovering costs from users. They usually provide a single service such as water or fire protection for a non-municipal community. However, some of these districts provide a number of separate local services.

Each improvement district is governed by a board of trustees who are elected by local residents for a three-year term. Section 829 of the *Municipal Act* sets out the responsibilities of the trustees and the methods of their election. A board may or may not hire staff to administer the affairs of the improvement district.

Improvement districts have not been assigned functions by statute. The Lieutenant-Governor in Council may grant "objects that appear advisable and with powers deemed necessary to carry out those objects" (*Municipal Act*, section 824). Figure 3 outlines the wide range of permissive functions of those improvement districts existing in 1988. Improvement districts do not have responsibility for local roads or for community planning. Overall there are 26 different functions provided by 328 districts.

Figure 3. Permissive Functions of Improvement Districts as of March 31, 1988

Function:	Number of Districts with function
waterworks	263
fire protection	86
irrigation	67
street lighting	43
drainage	39
garbage	32
parks and playground	29
dyking	20
sewerage	19
cemetery	7
community hall	7
ambulance	5
community recreation	5
electrical power distribution	5
lake level control	4
land improvements	4
mosquito control	3
water treatment	3
boat launching and parking	2
acquisition of land	1
dock and float facilities	1
health centre	1
housing	1
river bank protection	1
sidewalks	1
T.V. antenna	1
water quality monitoring	1

Local Government Financing

Municipalities, regional districts and improvement districts employ different financing mechanisms. Each system is outlined below.

Municipalities

Municipalities obtain their revenues for general and utility purposes from these principal sources:

- property taxes (including grants-in-lieu of taxes);
- fees, charges and sales of services;
- grants from other levels of government; and
- other funds including revenues from own sources and other transfers.

In 1986 property taxation in all B.C. municipalities accounted for 62.0 per cent of the municipal general revenue. The federal and provincial governments and their agencies do not pay property taxes on certain of their properties but provide grants-in-lieu of taxes. Property taxes and grants-in-lieu of taxes combined accounted for 65.9 per cent of municipal revenues in 1986.

With regard to real property taxation, B.C. employs a system of variable rate taxation. Under this system, each taxing body is required to set specific and not necessarily equal tax rates for each property class. Within property classes, the rate of taxation does not vary. Therefore, the manner in which the property tax burden is shared among property classes is controllable through rate setting. Only municipal councils and the provincial government possess full power to determine the pattern by which the tax burden is shared among classes.

In addition to property taxes, transfers from other levels of government accounted for approximately 10.3 per cent of municipal general revenue and 34.3 per cent of municipal utility revenue. In this category the provincial government, under the *Revenue Sharing Act*, provides a revenue sharing fund that allows for the sharing of provincial revenues with municipalities and regional districts.

Additionally, approximately 22.1 per cent of municipal revenues and 62.7 per cent of municipal utility revenue were from fees and services. The "other funds" category comprises 1.7 per cent of municipal revenue and 3.0 per cent from "other revenue from own sources."

Regional Districts

The annual cost attributable to each service is apportioned among the members (both municipal and electoral area participants) of that service on the basis of assessment. Regional district finance works mainly on a requisition basis. That is, regional districts bill costs directly to the members of the service rather than to residents. The members are then in debt to the regional district for the amount of the bill and, in turn, are authorized to levy amounts necessary to recover the requisition from residents. Regional districts are essentially removed from the taxation process by this system (in electoral areas, the provincial Surveyor of Taxes serves as the tax collector). Additional regional district revenue is derived from the sale of services and from provincial government grants for both capital and operating expenses.

Improvement Districts

Improvement districts have choices as to tax administration. They can choose to administer assessment, tax levying and tax services for all services themselves. Alternatively, with respect to fire protection and street lighting only, they may ask the Provincial Surveyor of Taxes to administer the tax system. Improvement districts use different

approaches for financing capital works depending if that work is fire protection and street lighting or other services.

Selected Financial Statistics For Municipalities And Regional Districts

The following statistics are designed to illustrate the financial activities of municipalities and regional districts. Data is for the fiscal year of all local governments, January 1 to December 31 for 1986.

Assessment and Taxation

A major revenue source for municipalities in British Columbia is the real property tax, which over the past twenty years has increased from $192 million to $1.7 billion. Of the $1.7 billion, approximately 45 per cent is for school purposes and 55 per cent is for general municipal purposes.

In 1987, net taxable values for general municipal purposes in city, district, town and village municipalities totalled $93.1 billion, an increase of $2.8 billion over the previous year.

Tax Collection

The tax collection picture in municipalities is considered to be the primary indicator of administrative effectiveness as well as of the ability of the taxpayer to meet the municipal tax levy promptly. In 1986, approximately 96 per cent of the taxes levied were collected, up slightly from 1985. Although economic factors have a substantial effect on tax collections, municipal treasurers and collectors are to be congratulated for their continued effort in maintaining this high rate of tax collection.

For 1986 data, see the ministry publication, Municipal Statistics, 1986.

Revenues and Expenditures

Audited financial statements for 1986 indicate that British Columbia municipalities and regional districts continued to maintain a favourable financial position. Gross revenues from all sources (including collections for other governments) during 1986 equalled $2.78 billion, an increase of $90 million over 1985.

Revenues ($ Millions)

	1986	1985	Increase
General Municipal Taxation	960	898	62
School Taxation	779	819	(40)
Contributions, Grants, Subsidies	313	291	22
Revenue from Own Sources	723	683	40
	2,775	**2,691**	**84**

Home owner grants increased by $8 million in 1986 to a total of $243 million. When this is offset against the school tax levy of $779 million, a balance of $536 million remains to be borne by the property owner.

Expenditures ($ Millions)

	1986	1985	Increase
General Government	205	202	3
Fire Protection	155	152	3
Administration of Justice	214	205	9
Public Works	199	189	10
Sanitation and Waste Removal	101	96	5
Recreation and Culture	246	227	19
Education	779	819	(40)
Debt Charges	310	297	13
Capital Expenditures from Revenue	99	95	4
Other*	469	409	60
	2,777	2,691	86

* Includes public health, social welfare, utilities and contributions to reserves and other funds.

Reserves and Surplus

The total amount of statutory reserves, operating reserves and surpluses held in the accounts of all municipalities and regional districts at the end of 1986 was $1.3 billion. This represents 63 per cent of municipalities' and regional districts' total revenue, excluding school taxes. Of this total, $810 million is held in liquid form or in investments authorized by statute. A portion of the surplus is represented by arrears of taxes and other receivables.

Statutory reserve funds of municipalities and regional districts have again shown an increase over the previous year. At the end of 1986 these funds, held for a variety of purposes, amounted to $466 million, an increase of $23 million over the previous year. In addition, approximately $107 million was spent on capital works from reserve funds during the year 1986.

Summary of Five-Year Capital Expenditure Program

The programs submitted by municipalities and regional districts during 1987, and covering the five-year period ending 1991, continued to provide useful information and guidance, not only to the local government bodies involved, but also the ministry, other levels of government and various financial institutions. Review of these submissions and the constructive criticism offered by the ministry, where necessary, have led to a consistency in program format, proving beneficial to all concerned.

A summary of capital expenditure programs by years is provided in Table 2. Included in the "General" heading are all capital expenditures for roads, sidewalks, public buildings, recreational facilities, land and other capital projects not related to water or sewer systems. As in the past, municipal councils are attempting to finance a large portion of their capital works out of current operating and reserve funds, although the availability of federal-provincial loans and the infusion of capital funds via specific purpose grants have had a direct effect on this policy.

Borrowing

During 1987, councils and regional boards continued to meet a substantial demand for municipal services, and 100 loan authorization bylaws were approved by the Inspector of Municipalities and subsequently adopted by the local government body providing the service. Borrowing of $81,373,066 as summarized in Table 3 is $30,716,751 more than

was authorized in 1986, due primarily to the increase in sewer works, parks and recreation, and other tangible assets. Completion of the various projects authorized will be phased over a number of years, and the demand for funds will follow the pace of construction. Included in the authorized borrowing is $4,200,145 in short-term loans that are subject to a per capita limitation under the *Municipal Act*.

The Inspector of Municipalities is not required to approve the borrowing of the City of Vancouver and the metropolitan water and sewer boards. Such borrowing is, therefore, not included in Table 3.

Preliminary borrowing of an estimated amount of $9,045,000 was approved for local improvement works. A number of municipalities have established special improvement funds to finance local works; these have not been included in the figure for preliminary borrowing approval.

At December 31, 1986, debenture debt of $5,966,479 was guaranteed by the province under the *Municipal Act* (debt assumed from improvement districts by municipalities, formerly issued under the *Improvement Districts Assistance Loan Act*), the *Municipal Aid Act* and the *Greater Vancouver Sewerage and Drainage District Act*.

Guaranteed Debt December 31, 1986

	$
Municipalities and Regional Districts* (excluding Vancouver)	5,752,479
Greater Vancouver Sewerage and Drainage District	214,000
	5,966,479

Total issued and outstanding debenture debt as at December 31, 1986, of all municipalities and regional districts, including the City of Vancouver, was $1,537,293,580.[1]

The percentage of current revenue expended to service debenture debt (excluding debt for water and other utilities) increased to 7.95 per cent in 1986 from 7.38 per cent in 1985. The debenture debt of water and other utilities is serviced almost entirely by consumer charges and frontage taxes.

1 For detail, see the ministry publication, "Municipal Statistics, 1986."

Table 1

Index of the Historical Relationships Between Provincial Personal Income, Building Permit Value, Local Population, Revenue and Debenture Debt (1961=100)

Year	Population	Total Revenue[1]	Building Permits[2]	Debenture Debt	Total B.C. Personal Income[2]
1961[3]	100	100	100	100	100
1978	167	752	802	328	759
1979	170	827	1,060	366	865
1980	177	1,039	1,422	413	1,004
1981	180	1,276	1,713	455	1,173
1982	180	1,423	1,041	511	1,285
1983	181	1,445	1,078	562	1,349
1984	183	1,483	965	587	1,458
1985	184	1,539	1,055	591	1,558
1986	188	1,553	1,166	595	1,621

1 Includes general municipal revenues, collections for other governments and revenues of regional districts and utilities.

2 Information provided by Central Statistics Bureau, Ministry of Economic Development.

3 1961 acts as the base year for this index table. Growth is measured in percent. For example, the population for 1985 has grown by 84 per cent from 100 (1961) to 184 (1985).

Table 2

Five-year Capital Expenditure Program Summary by Year For All Municipalities (including Vancouver)

144 Municipalities Reporting

CLASSIFICATION OF EXPENDITURES

	Water	Sewer	General	Total
1987	$ 61,329,956	69,319,238	482,495,067	613,144,261
1988	41,740,992	45,480,978	393,644,603	480,866,573
1989	38,646,896	42,279,294	338,488,835	419,415,025
1990	37,869,105	40,654,704	313,194,343	391,718,152
1991	48,631,723	51,967,851	327,512,301	428,111,875
TOTALS:	$ 228,218,672	249,702,065	1,855,335,149	2,333,255,886

PROPOSED SOURCE OF FUNDS

	General Revenue	Grants	Reserve Funds	Debenture Sales	Other	Total
1987	$ 131,834,795	57,937,015	217,373,895	154,641,667	51,356,889	613,144,261
1988	121,115,704	54,846,800	138,044,082	131,299,963	35,560,024	480,866,573
1989	111,256,482	52,793,770	113,369,872	111,668,145	30,326,756	419,415,025
1990	112,866,908	35,135,710	116,442,175	100,397,014	26,876,345	391,718,152
1991	114,140,950	42,169,382	117,567,474	121,580,869	32,653,200	428,111,875
TOTALS:	591,214,839	242,882,677	702,797,498	619,587,658	176,773,214	2,333,255,886

Table 3
Borrowing Authorization, 1987

Purpose	Regional Districts	Cities	Districts	Towns	Villages	Total
Waterworks	$ 4,004,142	4,972,944	5,614,262	980,000	591,800	16,163,159
Sewers	6,792,900	8,963,947	3,335,300	550,000	747,000	20,389,147
Parks/Recreation	8,602,350	849,220	9,657,800	0	0	19,109,370
Civic Buildings	700,000	59,900	0	950,000	0	1,709,900
Equipment[1]	1,552,435	0	133,000	0	0	1,665,435
Other Tangible Assets[2]	2,091,000	3,113,255	15,886,300	1,245,500	0	22,336,055
Totals	$ 23,742,827	17,959,277	34,606,662	3,725,500	1,338,800	81,373,066

1. Including fire protection
2. Other tangible assets include land assembly, road improvement and sidewalks, and storm drainage.

Appendix 2
Revenue Sharing Grant - Program Description

Revenue Sharing Fund

The *Revenue Sharing Act* of 1977 established the fund from a fixed proportion of provincial general revenue. Each year the fund receives the sum of:

- one point of personal income tax;
- one point of provincial corporation income tax; and
- six per cent of a number of other provincial revenue sources.

Disbursement

Regulations pursuant to the *Revenue Sharing Act* govern the funding formulas of various grants under the program. They are as follows:

- **Basic Grants** (Part I) - A municipality is entitled to an annual grant between $40,000 and $80,000 depending upon its average per-capita assessment relative to the average per- capita assessment of all municipalities in the province.
- **Water Facilities Grant** (Part II) - Grants are available to municipalities and regional districts for construction of water facilities. In 1983 a new formula was introduced, replacing the old. However, projects approved under the old formula are still being funded. Under the new formula any approved project qualifies for between 25 per cent and 50 per cent funding of the capital cost. The annual amount is limited to $2,000,000 to any municipality or regional district.
- **Municipal Highway Grant** (Part V) - A municipality undertaking construction of major municipal highways may qualify for a grant of up to 50 per cent of approved shareable costs. Total amount of such grants in any year is limited to $15,000,000.
- **Planning Grants** (Part VI) - This grant is available to municipalities and regional districts for preparing or implementing official community plans or rural land use bylaws, economic strategy plans or comprehensive planning studies. Total funding is limited to $3,000,000 a year.
- **Regional District Grants** (Part VII) - A regional district is entitled to an annual basic grant of $30,000 and an annual administration grant of $30,000.
- **Unconditional Grants** (Part VIII) - The largest share of the revenue sharing fund (more than 40 per cent) is distributed under this part. Formulas involving average populations, assessments and expenditures are used to determine a municipality's share of the total available each year.
- **Restructuring Assistance** (Part X) - Grants are available to municipalities and regional districts for incorporation, amalgamation or substantial boundary changes. Total available for distribution is $4,000,000. The grants are available for studies, policing assistance up to five years, per capita transitional grants and rural tax grants.
- **Sewerage Assistance** (Part XI) - Grants are available to municipalities and regional districts for the construction of sewage collection and disposal facilities. In 1983 a new formula was introduced; however, projects approved under the old formula are still being funded. Under the new formula any approved project qualifies for 25 to 50 per cent funding of the capital cost. The maximum annual funding available to a municipality or regional district is $2,000,000.
- **Transmission Line Assistance** (Part XII) - On approved projects, the cost of installing an underground transmission line is shared equally between the municipality, the utility company and the province.
- **Additional Grants** (Part XIII) - Grants for water and sewer studies are

available to the municipalities and regional districts up to 100 per cent of the first $5,000, and 50 per cent of the next $10,000 of the approved costs.

- **Grant Stabilization Account** (Part XIV) - Each year money from the Revenue Sharing Fund is set aside in this account to be used to stabilize the disbursement of unconditional grants from year to year. Complex formulas are used to determine the amount to be deposited in the account and also the allowable annual amount of withdrawal.

Appendix 3
Summary Of Fire Losses In British Columbia, 1987

Last year, British Columbia had the lowest number of fire deaths in 41 years. Forty-two persons died and 398 were injured as a result of 7,542 fires in 1987, which caused a total dollar loss of $117,159,528. The losses for the last nine years have been as follows:

Year	Number of Fires	$ Loss (Millions)	$ Loss (Millions) Adjusted for Inflation to 1981 Constant	Number Injured	Number Dead
1987	7,542	117.1	87.9	398	42
1986	7,667	109.8	84.9	343	58
1985	8,285	131.9	105.3	398	60
1984	7,237	108.9	89.7	396	79
1983	7,724	131.7	112.9	404	83
1982	7,623	157.3	142.3	375	73
1981	7,023	115.7	115.7	244	76
1980	7,605	108.7	124.2	308	77
1979	7,655	105.9	132.4	444	125

The average loss per fire for the province in 1987 was $15,534 and the per capita loss was $40.55, up from $38.41 in 1986. There was an average of 2.58 fires for every 1,000 persons in British Columbia.

Fire Fatalities

Twenty-four men, 13 women, and five children lost their lives as a result of fire last year.

- Fourteen of the 42 fire fatalities (33 per cent) were over 60 years of age;
- Of the 13 women fatalities, eight were over 70 years old;
- Fifteen fire fatalities resulted from careless smoking. This number has been declining over recent years; in 1986 the figure was 18, in 1985 the figure was 19, and in 1984 it was 32;
- At least four persons who died were impaired by alcohol, drugs or medication;
- Ten persons who died from fire were asleep at the time of the fire.

Residential Fires

Thirty-one per cent of all fires in 1987 were in one and two-family dwellings, resulting in a total loss of $36.9 million. A further seven per cent of the fires were in apartment buildings with a loss of $7.1 million. These two residential categories accounted for 38 per cent of the total number of fires and 38 per cent of the total 1987 fire losses in the province.

Thirty-seven of the 42 fire fatalities, or 88 per cent, occurred in residential fires, including hotels and mobile homes. There were 22 fatalities in one and two-family dwellings and 6 in apartment buildings. The time period between 10 p.m. and 7 a.m. accounted for fourteen of the 22 fire deaths in one and two-family dwellings, and three of the 6 fire deaths in apartment buildings.

The fire experience in one and two-family dwellings and apartment buildings indicates significant differences between the two groups. See chart below; asterisks (*) highlight differences.

Comparison of One and Two-Family Dwellings and Apartment Fire Incidents

	One and Two Family Dwellings	Apartment Buildings
Total number of fires in property group	2,355	514
Cooking Fires	598	132
As a percentage of all fires in property group	25.4%	25.7%
As a percentage of total $ loss in property group	11.1%	9.1%
No. of fatalities over total in property group	0/22	2/6
Heating Equipment Fires	578	17
As a percentage of all fires in property group	24.5%	3.3% *
As a percentage of total $ loss in property group	21.0%	3.6% *
No. of fatalities over total in property group	2/22	0/3
Smoker's Material Fires	169	107
As a percentage of all fires in property group	7.2%	20.8% *
As a percentage of total $ loss in property group	8.1%	20.1% *
No. of fatalities over total in property group	13/22	4/6
Arson Fires	197	109
As a percentage of all fires in property group	8.4%	21.2% *
As a percentage of total $ loss in property group	11.9%	27.6% *
No. of fatalities over total in property group	0/22	0/6

Heating equipment fires accounted for 24.5 per cent of the fires in one and two-family dwellings, but only 3.3 per cent in apartment building fires.

Of all heating equipment fires in one and two-family dwellings, 73 percent were related to the use of solid fuel. The igniting objects (sources of ignition) for these solid-fuel fires were:

Igniting Object	Fires	Injuries	Dead	$Loss
Central heating unit	5	1	0	42,297
Space heater	86	2	0	1,178,411
Fireplace	111	1	0	856,345
Masonry chimney	117	1	0	729,888
Factory-built metal chimney	70	0	0	867,146
Flue connector	21	0	0	438,894
Heating equipment - other	12	3	0	126,098
1987 Total	**422**	**8**	**0**	**4,239,511**
1986 Total (for comparison)	452	11	7	5,516,620
1985 Total (for comparison)	610	19	9	9,044,084

Smokers' materials accounted for about 7.2 per cent of one and two-family dwelling fires but 20.8 per cent for apartment fires. Smokers' material was responsible for the largest life-loss fire last year in which a mother and three daughters died. The rate of arson in apartment buildings was two and a half times that in one- and two-family dwellings.

Educational Institutions

There were 79 fires in educational institutions in 1987 resulting in a loss of $2,804,575. The number of fires in schools peaked in 1979 when there were 125 fires which caused

a loss of $9.3 million. Over 92 per cent of the fire loss in educational institutions was caused by set fires. This high percentage is consistent with previous years.

Automobile Fires

There were 2,085 automobile fires in British Columbia in 1987. These fires accounted for 27 per cent of the number of fires in 1987 causing a loss of about $4.2 million.

Large Dollar-Loss Fires

There were 22 fires in which the individual losses exceeded $500,000 each. Although they accounted for one-third of one per cent of the total fires, they were responsible for $30.1 million loss, constituting 25.7 per cent of the province's annual dollar losses. Six of the fires in this large loss category were a result of arson or suspected arson and caused a loss of $6.3 million.

Arson

1,277 fires out of the total 7,542 (17 per cent) fires in 1987 were arson or suspected arson, causing a loss of $23.6 million (20.0 percent of dollar losses). In 1986, 1,152, or 15 per cent of total fires were 'set' and caused a loss of $17 million (16 per cent of dollar loss).

The percentage of arson fires over the total number of fires peaked in 1976 at 23.3 per cent. Of the 1,277 arson incidents, 342 (26.8 per cent) were classified as vandalism or mischief. This category has historically accounted for the bulk of arson incidents. A breakdown of the arson incidents is as follows:

Act or Omission	Fires	Injured	Dead	$ Loss
Arson - financial gain	13	0	0	213,418
Arson - cover-up crime	168	3	0	3,496,966
Arson - political, religious motive	1	0	0	8,000
Arson - revenge, spite	23	1	0	939,600
Arson - mental disorder, suicide	26	2	0	318,535
Arson - vandalism, mischief	342	3	0	2,000,100
Arson - motive unknown/unclassified	318	7	0	7,204,732
Suspected Arson - motive unknown or unclassified	386	24	0	9,441,943
Total	**1,277**	**40**	**0**	**23,623,294**

The frequency of arson is heaviest in the urban areas: 30 per cent of fires in Vancouver city were arson compared to about 10 per cent in the northern region of the province and 13 per cent in the Kootenays and the interior regions.

Sixty-five adults and 57 juveniles were charged in arson-related incidents in 1987 according to statistics compiled by the Ministry of Attorney-General.